

COMPOSITE STATEMENT

148.

The Bank will send to the Account holder each month (or as specified by the Account holder) statements of account showing the transactions and balances in relation to all HSBC Premier accounts and other banking services as specified by the Bank from time to time. The Bank must be advised if the statement of account is not received within 10 days from the end of statement cycle. The Account holder agrees to examine each statement of account and notify the Bank, within 14 days after receipt or (as the case may be) sending such statement of account to the Account holder by registered post, verbally or in writing, of any alleged errors or omissions therein arising from whatever cause (including without limitation from forgery, fraud, lack of authority or negligence of any person), failing which the composite statement of account shall be conclusive evidence as to the balance shown therein and be binding on the Account holder and the Account holder shall be deemed to have waived any rights to raise objections or pursue remedies against the Bank relating thereto.

149.

The Account holder is responsible for preserving copies of his/her statements should copies of statements be requested from the Bank, the Bank reserves the right to levy charges for providing this service in accordance with its published tariffs.

FAX INDEMNITY

150.

In consideration of the Bank agreeing to accept instructions from the Account holder from time to time by facsimile transmission (" the Instruction") for the operation of the Package without requiring written confirmation bearing an actual signature in accordance with the mandate of the Package prior to acting on the Instructions and the Account holder agrees that

- a. The Bank is hereby authorised to act on the instructions which is at the sole discretion believed to emanate from the Account

holder and the Bank shall not be liable for acting in good faith on any instructions which emanate from unauthorised individuals.

- b. The Bank shall not be under any duty to verify the identity of the person(s) giving instructions purportedly in the Account holder's name and any transactions made pursuant to instructions shall be binding upon the Account holder whether made with or without the Account holder's authority, knowledge or consent.
- c. The Account holder undertakes to keep the Bank indemnified at all times against and to save the Bank harmless from all actions, proceedings, claims, losses, damages, costs and expenses which may be brought against the Bank or suffered or incurred by the Bank and which shall have arisen either directly or indirectly out of or in connection with any default by the Account holder and/or the Bank providing Custody services, performing its obligations hereunder or accepting instructions (including but not limited to telephone and facsimile instructions) and acting or failing to act thereon unless due to the wilful default of the Bank; such indemnity shall continue notwithstanding the termination of the Package.
- d. The Account holder understands that the Bank will treat any other document received including the original copy of the request sent by fax as a separate request, unless it is boldly and clearly stated that "this is the original copy of the letter sent by fax, do not duplicate" on the face of such document.
- e. The Account holder agrees that the Bank will not be liable for any duplication in carrying out instructions if the Account holder(s) send copies of the same fax message to different branches/departments of the Bank unless those duplicate copies are specifically marked as "duplicate copy" as mentioned in clause (d).
- f. refuse to repay when demanded or when the same falls due any of the Said monies to the Account holder if and to the extent that the Said indebtedness at the relevant time is equal to or exceeds the Said monies at that time.

HSBC PREMIER CALL CENTRE SERVICES AND INDEMNITY

151.

The call centre services provided by the Bank covers, telephone instructions in respect of the following;

- i. Transfer of funds between any of the Account holder's accounts: In the event of joint accounts, transfers will be permitted only if the signing instructions are either party to sign. In such instances, the transfer should be between the Account holder's joint account and/or between the same Account holder's individual accounts.
- ii. Enquiry on account balances, last transactions (in relation to the Account holder's accounts) exchange rates and deposit rates.
- iii. Request for statements (for selective accounts), cheque book and stop cheque in relation to the Account holder's account; and
- iv. Global service provided by the HSBC Group or MasterCard International.
- v. Such other types of banking or investment services as the Bank may from time to time introduce.

152.

The Bank shall not be liable to the Account holder for any failure to carry out any telephone instructions which are attributable, wholly or in part, to any cause beyond the Bank's control including any equipment malfunction or failure and under no circumstances shall the Bank be responsible to the Account holder for any direct, indirect or consequential losses arising out of or in connection with the carrying out or otherwise of the indemnified at all times against, and save the Bank harmless from, all actions, proceedings, claims, losses, damages, costs and expenses which shall have arisen either directly or indirectly out of or in connection with the Bank accepting telephone instructions and acting or failing to act thereon.

153.

The Account holder's right to give telephone instructions pursuant to the terms and conditions herein shall at all times be subject to the discretion of the Bank and the Bank may at any time revoke such right without prior notice.

154.

The Account holder shall ensure that there are sufficient funds (or pre-arranged credit facilities) in the Account holder's account and/or credit card account for the purpose of telephone or other instructions and the Bank shall not be liable for any consequences arising out of the Bank's failure provided always that if the Bank shall at its sole discretion decide to carry out the Instructions notwithstanding such inadequacy, the Bank may do so without seeking prior approval from or notice to the Account holder and the Account holder shall be responsible for the resulting overdraft, advance or credit thereby created and for all related charges. The overdraft, advance or credit shall be subject to such rates of interest as the Bank may in its absolute discretion determine and shall be governed by the Bank's usual terms and conditions applicable to such accounts.

155.

The Bank shall charge the normal tariff for services registered through the call centre.

156.

The Bank reserves the right to impose service fees and/or other charges from time to time as the Bank in its absolute discretion thinks fit.

157.

The Bank reserves the right to add, delete or vary the scope of the service, the service tariff and any of the terms and conditions herein from time to time as the Bank in its absolute discretion thinks fit. The Bank shall give notice of such modification to the Account holder by displaying the revised terms and conditions or related tariff on notice boards in public areas in the branches and at ATMs.

158.

In consideration of the Bank at the request of the Account holder agreeing to provide information or transfer funds from time to time based on requests received by telephone relating to the Account holder's accounts ("the Information") the Account holder being fully aware that it will not be possible for the Bank to verify the identity of the person seeking such information or giving such transfer instruction ("the Caller"),

the Account holder unconditionally declare and agree that

- a. the Bank is hereby authorised to give such information or make transfers from the Account holder's account to another of the Account holder's account/s only, at its sole discretion on the assumption and belief that such instructions have been given by the Account holder and the Bank shall not be liable in any manner whatsoever to the Account holder for any loss or damage caused directly or indirectly in consequence thereof, provided that the Bank acts in good faith without gross negligence.
- b. the Bank shall take reasonable steps to verify the authenticity of the Caller but shall not be liable in any manner whatsoever to the Account holder or any other party for any act done by the Bank in pursuance of such requests received by telephone provided the Bank acts in good faith and is not guilty of gross negligence.
- c. the Account holder agrees and undertakes to keep the Bank indemnified and saved harmless at all times from all actions, proceedings, claims, losses, damages, costs and expenses in any action which may be brought against the Bank by any party or suffered by the Bank directly or indirectly from any act, matter or thing done by the Bank in pursuance of providing such information or transferring funds by the Bank.
- d. the Account holder agrees that the Account holder shall have no claims whatsoever against the Bank in respect of any transfers made or any information given to the Account holder by the Bank or any loss or damage arising directly or indirectly in consequence thereof howsoever arising provided the Bank acts in good faith and is not guilty of gross negligence.

BANK'S RIGHT OF LIEN AND SET-OFF

159.

Without prejudice and in addition to any general lien, right of set-off or other right by way of security which the Bank may have on any account whatsoever, the Account holder agrees that the Bank may at any time and without prior notice;

- (a) apply (even if such application requires breaking of any deposit before its maturity date) any monies held in any currency to the credit of any account or any other account in the name of the Account holder solely or jointly with any other person ("the Said monies") against any indebtedness of any type whether actual, contingent, present or future and whether owed by the Account holder solely or jointly with any other person ("the Said indebtedness") and/or;
- (b) refuse to repay when demanded or when the same rules due to any of the said monies to the account holder or and to the extent that the said indebtedness at the relevant time is equal to or exceeds the said monies at that time.

160.

The Bank's rights under clause (159) above shall not be affected by the customer's death or legal incapacity.

STATUTORY DECLARATION / EXCHANGE CONTROL REGULATIONS

161.

The Account holder must complete the statutory declaration of their tax status on the opening form as required by the Department of Inland Revenue. Withholding tax on interest payments will be deducted by the Bank from the interest payable for the period at such rate or rates stipulated by the Department of Inland Revenue.

162.

All terms and conditions contained herein are subject to the provision of exchange control act or any regulations made there under from time to time.

TERMINATION OF THE PACKAGE

163.

Either the Bank or the Account holder may terminate the use of the Package and the relationship with the Bank by written notice to the

other party to that effect. In either case, the Account holder shall without delay or further demand

- (a) return to the Bank all cards and cheque books issued to the Account holder
- (b) pay to the Bank the full amount outstanding to the Bank including but not limited to the overdraft facilities, credit card(s) and other loan facilities together with all related charges there under (including the amount of any items not then presented to the Bank for payment), for which the Account holder shall remain fully responsible notwithstanding such termination. Without limiting the generality of the foregoing, all of such sums shall become immediately due and payable (without further demand) in the event of the death or bankruptcy of the Account holder.

164.

In the event that the Bank or the Account holder terminates the use of the Package and becomes an ordinary Account holder who continues to maintain the account without the benefits offered under the Package, the Account holder agrees to be bound by the general terms and conditions for each such account maintained with the Bank.

CHARGES

165.

All administration, handling, service, finance or other charges are to be paid by the Account holder to the Bank for any service provided or action taken in relation to the Package and shall be levied at such rates as the Bank may from time to time prescribe for the purpose, and any such rates as the Bank from time to time prescribe for the purpose and any such charges may be debited to the Account holder. All interest rates administration, service, finance and other charges are subject to change without prior notice.

OVERSEAS HSBC PREMIER SERVICES

166.

The Features that the Account holder can enjoy under the Package

may include accounts, services, rewards, benefits, privileges and the likes offered not only by the Bank but also by other members of the HSBC Group in and outside Sri Lanka, which may or may not be banking-related and which may be provided directly by the Bank and such other members of the HSBC Group or third parties designated by them, as the Bank and/or such members shall determine from time to time ("Features")

167.

To facilitate the Bank and other members of the HSBC Group in considering whether or not the Account holder is entitled to enjoy certain Features offered by them under the Package and to enable the Bank and these members of the HSBC Group in providing such features to the Account holder where the Account holder is eligible to enjoy these Features, the Account holder fully authorizes the Bank and these HSBC members to share all information relating to the Account holder and his accounts, including, without limitation, personal data and other credit information maintained with or obtained by the Bank (including those obtained from credit reference agencies) and other members of the HSBC Group. The Account holder further authorizes the Bank and all members of the HSBC Group to use, store, process, disclose and transfer (whether within or outside the jurisdiction concerned and whether within or outside the HSBC Group) all information relating to the Account holder as they shall consider necessary in connection with their provision of these Features, including, without limitation, information relating to the Bank Debts and Master Debts (below defined).

168.

The Features offered to the Account holder by other members of the HSBC Group are at all times subject to the Account holder being allocated with and maintaining the Package with the Bank (or another member of the HSBC Group, if applicable) unless the Bank or another member of the HSBC Group shall determine otherwise. Each of these Features may also be subject to certain terms and conditions stipulated by the Bank and/or the relevant member(s) of the HSBC Group and the Account holder agrees to be bound by the same.

169.

Where the Package offered by the Bank includes the offering of any banking or credit facility to the Account holder the Account holder agrees to and authorizes the following in the event that the Account holder defaults in its obligations to repay such banking or credit facilities upon their becoming due and payable ("Bank Debts"):

- (a) the HSBC member may collect the Bank Debts for and on behalf of the Bank;
- (b) the right of the HSBC member to employ collection agent(s) and third parties to collect any outstanding or overdue amount owed by the Account holder and any indemnity given by the Account holder in favour of the Bank shall for all purposes include the Bank Debts.
- (c) The Bank may at any time and from time to time assign the whole or any part(s) of the Bank Debts in favour of the HSBC member;
- (d) The HSBC member may accept an assignment of the Bank Debts in its favour and may exercise its right of set-off in respect of such Bank Debts assigned to it;
- (e) To the extent permitted by all relevant laws and regulations, the Account holder waives all rights he may have in relation to any assignment of the Bank Debts and the HSBC member's rights to exercise its right of set-off against such assigned debts; and
- (f) This Clause 4 shall apply also to such fees, charges, loss and expenses that the Bank and the HSBC Member shall have directly and indirectly incurred or suffered as a result of or arising from the Bank Debts, including, without limitation, reasonable legal fees and other fees, charges and expenses incurred in recovering the Bank Debts.

170.

where the Package is offered by a member of the HSBC Group other than the Bank ("HSBC Member") includes the offering of any banking or credit facilities to the Account holder, the Account holder agrees to and authorizes the following in the event that the Account holder defaults in its obligations to repay such banking or credit facilities upon their becoming due and payable ("Member Debts"):

- (a) the Bank may collect the Member Debts for and on behalf of the HSBC Member;
- (b) the right of the Bank to employ collection agent(s) and third parties to collect any outstanding or overdue amount owed by the Account holder and the indemnity given by the Account holder in favour of the Bank shall for all purposes include the Member Debts.
- (c) The HSBC Member may at any time and from time to time assign the whole or any part(s) of the Member Debts in favour of the Bank;
- (d) The Bank may accept an assignment of the Member Debts in its favour and may exercise its right of set-off in respect of such Member Debts assigned to it;
- (e) To the extent permitted by all relevant laws and regulations, the Account holder waives all rights he may have in relation to any assignment of the Member Debts and the Bank's rights to exercise its right of set-off against such assigned debts; and
- (f) This Clause 5 shall apply also to such fees, charges, loss and expenses that the Bank and the HSBC Member shall have directly and indirectly incurred or suffered as a result of or arising from the Member Debts, including, without limitation, reasonable legal fees and other fees, charges and expenses incurred in recovering the Member Debts.

171.

Where a Feature offered by a member of the HSBC Group including the Bank includes the offering of any banking or credit facilities, the Account holder understands and agrees that any default by him in respect of one or more of such facilities may result in any or all of these members withdrawing, suspending, cancelling, terminating or varying any or all Features offered by them. This may also result in the Account holder having to, among other things, pay higher interest rates, fees, charges and costs and no member of the HSBC Group can under any circumstances be held liable or responsible for such increases in interests, fees, charges, costs and expenses incurred by the Account holder or any other obligations and liabilities (whether new or added) that the Account holder is therefore subject to.

172.

If the Account holder is required by any applicable laws or regulations (including the laws and regulations in the jurisdiction in which it enjoys a Feature provided by a Member of the HSBC Group) to make any deduction or withholding from any sum payable by the Account holder, whether to the Bank or any member of the HSBC Group, then the liability in respect of that deduction or withholding shall be the liability of the Account holder such that after the making of such deduction or withholding, the net payment shall be equal to the amount which the Bank or such other member of the HSBC Group would have received had no such deduction or withholding been made. It shall be the sole responsibility of the Account holder to effect payment of such deduction or withholding to the relevant authority within the applicable time limit and the Account holder shall indemnify the Bank and other members of the HSBC Group for all consequences of the Account holder's failure to do so.

173.

All terms and conditions contained herein are subject to the provisions of the Exchange Control Act and any regulations made there under from time to time.

GENERAL**174.**

In the course of providing the services, the Bank (or its agent) may need to (but shall not be obliged to) record verbal instructions received from the Account holder and or any verbal communication between the Account holder and the Bank (or its agent) in relation to such services.

175.**Miscellaneous General Provisions**

- i. Collecting Agent. The Bank may employ third parties to collect any outstanding or overdue amounts owed by the Account holder. The Account holder shall keep the Bank indemnified for costs (including legal fees) and expenses incurred in recovering such outstanding or overdue amount.
- ii. Tape Recording. In the course of providing the services, the Bank (or its agent) may need to (but shall not be obliged to) record verbal instructions received from the Account holder and/or any verbal communication between the Account holder and the Bank (or its agent) in relation to such services.
- iii. Waivers and Remedies. No failure or delay by the Bank in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise preclude any other or further exercise thereof or the exercise of any other right, power or privilege. Any remedies provided to the Bank herein are not intended to be exclusive of any other remedy and each and every remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity, by statute or otherwise.
- iv. Partial Invalidity. If any provision hereof shall be declared or adjudged to be illegal, invalid or unenforceable under any applicable law, such illegality, invalidity or unenforceability shall not affect any of the other provisions hereof, which shall remain in full force, validity and effect.

- v. Failure beyond Bank's Control. The Bank shall not be liable for any failure or delay to provide any service or to meet any obligation hereunder due (directly or indirectly) to any causes beyond its control.
- vi. Appointment of Agent. The Bank may appoint any agent, service provider or subcontractor to perform any of its obligations hereunder.
- vii. Assignment of Bank. The Bank may at any time assign or transfer any or all of its rights and obligations hereunder to any person without the Account holder's agreement.
- viii. Loss of Seal etc. In the event of loss of the identity document, seal or chop used for giving Instructions to the Bank in respect of or the use of the services, the Account holder must immediately notify the Bank in writing. The Bank will not be responsible for any payment made prior to receiving such written notice.

176.

The Bank will retain copies of statements, vouchers, withdrawal/deposit slips, cheques or any other transaction records in all accounts for a period of 7 years only. All such records will be destroyed after 7 years and the Bank will not assume any liability or responsibility for providing copies of statements or transaction records after 7 years.

177.

The Bank reserves the right to add, revise, amend or cancel, in whole or in part, any of the products and services provided under the Package and the terms and conditions hereunder or pertaining to any products or services. Any such addition, revision, amendment, cancellation or changes will take effect, and become binding on the Account holder, from such time as brought to the attention of the Account holder by display on notice boards in branches, newspaper advertisement or otherwise.

178.

The Bank may at any time assign or transfer any or all of its rights and obligations hereunder.

179.

The Bank should be advised promptly in writing of any change of address of the Account holder.

180.

The Account holder warrants that all particulars given to the Bank in connection with the Package are, to the best of the Account holder's knowledge, accurate and undertakes to notify the Bank of any changes thereto in writing.

181.

The Account holder agrees that, in the absence of agreement to the contrary, any current, savings, time deposit, share custody or other account (whether in local or foreign currency) from time to time opened and/or maintained by the Account holder with the Bank, and any banking transaction or facility effected and entered into from time to time by the Account holder with the Bank, shall form part of the Package (and each such account shall be an HSBC Premier account for the purpose hereof) and shall be subject to and governed by these terms and conditions in addition to the general terms and conditions signed for under each product.

182.

If a Home mortgage loan, Personal installment loan, Personal line of credit and Personal secured credit has been applied for by the Account holder prior to obtaining the Package and/or under the Package and approved by the Bank, the Account holder agrees that such facilities shall be subject to, in addition to the terms and conditions hereunder, such other conditions, the provision of such security and the execution of such legal documentation as the Bank may specify in one or more separate facility letters to be given to the Account holder in respect of such facilities

183.

The Bank does not recognise trusts.

184.

The Account holder may not assign or transfer any of its rights or obligations hereunder without the prior written consent of the Bank.

185.

These terms and conditions will automatically stand amended if such amendments are necessitated by law, government regulations or instructions issued by The Central Bank of Sri Lanka or other statutory body.

186.

These terms and conditions may, at the Banks' sole discretion, be changed from time to time upon giving the customer prior notice by way of display in the Bank's premises or by such other method as the Bank may decide. If the customer does not close the master account and cancel HSBC Premier prior to the expiry of the notice period, the Customer shall be deemed to have agreed to such change.

187.

The customer agrees and acknowledges that all data including account information relating to the customer may be transmitted and/or stored or held in any location and accessed by authorised personnel of the bank, its Head office, branch offices of HSBC and other members/associate members of the HSBC Group or any data processing service provider or any person engaged by the bank for printing and mailing statement of accounts or any person to whom the Bank in its ordinary course of business outsource such services as the Bank may consider necessary including stuffing and printing or provision of any similar services where in their opinion such transmission storage and/or access is necessary for any purpose including administration and internal monitoring requirements.

Provided however the customer shall be entitled to obtain data stored in terms of this provision in terms of any law applicable in UK and or EU Directive.