

CURRENCY-LINKED CAPITAL PROTECTED INVESTMENT DEPOSIT

Terms and Conditions

1. Each Currency-Linked Capital Protected Investment Deposit ("CPI Deposit") is accepted by the Bank from the relevant Customer on the basis that (i) before committing to place the relevant CPI Deposit with the Bank, such Customer has carefully read and fully understood and accepted the contents of the Important Facts Statement and term sheet for such CPI Deposit and these Terms and Conditions to which such CPI Deposit apply, (ii) such Customer has taken whatever financial, legal and other advice as it considers appropriate in connection with its decision to place the relevant CPI Deposit and has made its independent judgment and assessment with regard to such CPI Deposit and (iii) the Customer acknowledges and accepts that earnings on the CPI Deposit are limited to the Return (if any) or Coupon (if any) payable ; there is an inherent risk that (a) (for CPI Deposit where the "Type of Investment" is "with Potential Multi-Coupon", no Coupon will be payable to it in respect of the relevant CPI Deposit on any Coupon Distribution Date and only the Guaranteed Principal will be payable to it in respect of the relevant CPI Deposit on the Maturity Date; or (b) (for other types of CPI Deposit) no Return and only the Guaranteed Principal, will be payable to it in respect of the relevant CPI Deposit on the Maturity Date, if the prevailing market conditions operate against the Customer's prediction of the movement of the relevant currency exchange rate; (iv) only the Redemption Amount of the CPI Deposit will be payable to the Customer on the Maturity Date and that the Bank does not represent or warrant any possible gain (other than those specified herein) or (if the Principal Guarantee Percentage is less than 100%) there will not be any possible loss of the principal.
2. The Bank shall be entitled, at its discretion, to prescribe or determine at any time prior to accepting a CPI Deposit from the relevant Customer all or any of the following terms which are to apply to such CPI Deposit and to change, modify or amend any such term provided that any such change, modification or amendment is duly communicated to such Customer prior to the Bank accepting such CPI Deposit:
 - (i) the Eligible Currencies which can be the respective Linked Currency 1, Linked Currency 2 and the Deposit Currency for the relevant CPI Deposit;
 - (ii) the minimum and/or maximum amounts in which the relevant CPI Deposit can be made;
 - (iii) the applicable Offer Period and Cut-off Time;
 - (iv) the applicable Start Date and Maturity Date;
 - (v) the applicable Initial Exchange Rate, Trigger Level, Lower Barrier, Lower Barrier 1, Lower Barrier 2, Upper Barrier, Upper Barrier 1 and/or Upper Barrier 2;
 - (vi) the applicable Minimum Return Rate or Minimum Coupon Rate;
 - (vii) the applicable Potential Return Rate, Potential Return Rate 1 and/or Potential Return Rate 2; Potential Coupon Rate, Potential Coupon Rate 1 and/or Potential Coupon Rate 2;
 - (viii) the applicable Principal Guarantee Percentage;
 - (ix) the applicable Coupon Distribution Frequency and Observation Period(s), ; and
 - (x) the applicable Coupon Determination Date(s), Final Exchange Rate Determination Day, Observation Day, Fixing Day, Fixing Time and Expected Coupon Distribution Date;
3. The Customer shall, at the time of applying to the Bank to place a CPI Deposit, elect on the following terms which are to apply to the relevant CPI Deposit and clearly notify the Bank of such elections in such form and in such manner as the Bank may prescribe and all such elections, once accepted by the Bank, shall be irrevocable and binding on the Customer:
 - (i) the term of the relevant CPI Deposit (the "Deposit Period");
 - (ii) Linked Currency 1;
 - (iii) Linked Currency 2;
 - (iv) Principal Guarantee Percentage; and
 - (v) Type of Investment.
4. Persons intending to place a CPI Deposit may be required to complete an application form from time to time provided by the Bank for such purpose and return such application form, duly completed, to the Bank within such time and by such means as the Bank may require for such CPI Deposit. The Bank has an absolute discretion to accept or reject in whole or in part any application for placing a CPI Deposit. The Bank shall have the right, at its discretion and at any time, to change any procedure or otherwise prescribe alternative or new procedures for receiving application from any potential depositor in respect of any CPI Deposit or accept any application which has been made in any manner or by any means other than that prescribed by the Bank. For the purpose of making a CPI Deposit, the Customer shall place an Initial Deposit within the applicable Offer Period. Such Initial Deposit will be accepted by the Bank as a time deposit the maturity date of which shall coincide with and fall on the intended Start Date of the relevant CPI Deposit and interest on such Initial Deposit shall accrue at such rate as the Bank may determine at its discretion from time to time. The Customer shall not be entitled to withdraw any such Initial Deposit pending the applicable maturity date. The Customer irrevocably authorises the Bank to uplift such Initial Deposit on the applicable maturity date and place it as a CPI Deposit on behalf of the Customer upon the fulfilment to the reasonable satisfaction of the Bank of the conditions precedent(s) which may be specified by the Bank from time to time and the Bank will pay any interest accrued on such Initial Deposit to the Customer in such manner as the Customer and the Bank may agree. Unless otherwise specified by the Bank, such conditions precedent will include the successful establishment of any hedge by the Bank for the relevant CPI Deposit on or before the relevant Start Date and the absence of any Disruption Event on the relevant Start Date. Such conditions precedent may also include, without limitation, the successful determination by the Bank of, amongst others, the Initial Exchange Rate and the Trigger Level.
5. (i) Only the Redemption Amount will be payable on a CPI Deposit on the Maturity Date (subject to adjustment in accordance with Clause 7). Where the Principal Guarantee Percentage in respect of a CPI Deposit is less than 100%, the Redemption Amount payable on the Maturity Date (subject to adjustment in accordance with Clause 7) may be less than the principal of such CPI Deposit. No interest or any other amount is payable on the maturity of a CPI Deposit.

- (ii) Early withdrawal of any CPI Deposit is subject to the Bank's approval. If the Bank in its sole discretion decides to allow a Customer to withdraw a CPI Deposit prior to the relevant Maturity Date, the Bank shall be entitled to attach such terms and conditions as the Bank may deem appropriate for its approval of such early withdrawal request. The Bank shall be entitled to deduct from the Principal Amount of the relevant CPI Deposit and any other amount which may have accrued to the Customer on the date of early termination (i) the cost to the Bank of unwinding any related underlying hedging arrangements entered into in respect of such CPI Deposit (such as, but not limited to, any market bid/offer currency exchange rate spread, interest rate spread and any ancillary cost in relation to such unwinding) whether or not such hedging is held directly by the Bank or indirectly through an affiliate and/or (ii) any broken funding and/or replacement liquidity costs and/or (iii) any other appropriate costs, all as determined by the Bank acting in good faith and in a commercially reasonable manner and/or (iv) if the CPI deposit is withdrawn/early terminated, Customer will no longer be entitled to any Coupon or Return in respect of the CPI Deposit.
- (iii) If the Bank in its sole and absolute discretion determines that adverse and/or abnormal market conditions exist in the relevant foreign exchange market(s) of Linked Currency 1 and/or Linked Currency 2 and/or the Deposit Currency or the Customer has breached or is not in compliance with any of these terms and conditions and/or (if applicable) the Renminbi Account Terms and Conditions, the Bank may (but is not obliged to) at any time thereafter designate a date as the new Maturity Date for the CPI Deposit for all purposes and all other terms in these Terms and Conditions shall be construed accordingly. Such determination and designation of the new Maturity Date by the Bank shall be conclusive and binding on the Customer and, unless otherwise agreed in writing, the Bank does not, and shall not, have any obligation or responsibility whatsoever to notify or provide any warning to the Customer in advance of any determination, designation or other action or potential action by the Bank under this Clause. The Bank will notify those Customers who are affected by such change of the new Maturity Date. For the avoidance of doubt, the Bank's right to accelerate the CPI Deposit under this Clause shall be continuing and shall not be prejudiced or limited or otherwise lost even where, before the exercise of that right, one or more of the events specified above has ceased to be operating.
6. The Return (if any) or Coupon (if any) payable on a CPI Deposit will be payable in the Deposit Currency and will be calculated by the Bank as follows or in such other manner as the Bank may notify the Customer from time to time, such calculation to be conclusive and binding on the Customer (except for manifest error):
- (i) for CPI Deposits where the Type of Investment is "Bullish of Linked Currency 1" or "Bearish of Linked Currency 2" :
- (a) (American style) Return = Guaranteed Principal x Minimum Return Rate (which may be zero), provided that the Minimum Return Rate will be deemed to be the Potential Return Rate if the Exchange Rate is equal to or above the Trigger Level at any time during the Observation Period;
- (b) (European style) Return = Guaranteed Principal x Potential Return Rate, provided that the Potential Return Rate will be deemed to be the Minimum Return Rate (which may be zero) if the Final Exchange Rate is below the Trigger Level;
- (ii) for CPI Deposits where the Type of Investment is "Bearish of Linked Currency 1" or "Bullish of Linked Currency 2" :
- (a) (American style) Return = Guaranteed Principal x Minimum Return Rate (which may be zero), provided that the Minimum Return Rate will be deemed to be the Potential Return Rate if the Exchange Rate is equal to or below the Trigger Level at any time during the Observation Period;
- (b) (European style) Return = Guaranteed Principal x Potential Return Rate, provided that the Potential Return Rate will be deemed to be the Minimum Return Rate (which may be zero) if the Final Exchange Rate is above the Trigger Level;
- (iii) for CPI Deposits where the Type of Investment is "Range Investment" :
- (a) (American style) Return = Guaranteed Principal x Potential Return Rate, provided that the Potential Return Rate will be deemed to be the Minimum Return Rate (which may be zero) if the Exchange Rate is at or above the Upper Barrier or at or below the Lower Barrier at any time during the Observation Period;
- (b) (European style) Return = Guaranteed Principal x Potential Return Rate, provided that the Potential Return Rate will be deemed to be the Minimum Return Rate (which may be zero) if the Final Exchange Rate is at or above the Upper Barrier or at or below the Lower Barrier;
- (c) (American Double) Return = Guaranteed Principal x Minimum Return Rate (which may be zero), provided that the Minimum Return Rate will be deemed to be (I) Potential Return Rate 1 if the Exchange Rate is above Lower Barrier 1 and below Upper Barrier 1 at all times during the Observation Period or (II) Potential Return Rate 2 if the Exchange Rate is at or below Lower Barrier 1 or at or above Upper Barrier 1 at any time during the Observation Period, but is above Lower Barrier 2 and below Upper Barrier 2 at all times during the Observation Period;
- (d) (European Double) Return = Guaranteed Principal x Minimum Return Rate (which may be zero), provided that the Minimum Return Rate will be deemed to be (I) Potential Return Rate 1 if the Final Exchange Rate is above Lower Barrier 1 and below Upper Barrier 1 or (II) Potential Return Rate 2 if the Final Exchange Rate is at or below Lower Barrier 1 but above Lower Barrier 2, or is at or above Upper Barrier 1 but below Upper Barrier 2.
- (e) (Resettable) Return = Guaranteed Principal x Minimum Return Rate (which may be zero), provided that the Minimum Return Rate will be deemed to be the Potential Return Rate if either (I) the Exchange Rate is above the Lower Barrier and below the Upper Barrier at all times during the Observation Period; or (II) the Exchange Rate has once been at or below the Lower Barrier during the Observation Period but has not been at or above the Upper Barrier before such occurrence and thereafter, the Exchange Rate stays above Lower Barrier 1 and below Upper Barrier 1 for the remaining Observation Period; or (III) the Exchange Rate has once been at or above the Upper Barrier during the Observation Period but has not been at or below the Lower Barrier before such occurrence and thereafter, the Exchange Rate stays above Lower Barrier 2 and below Upper Barrier 2 for the remaining Observation Period.
- (f) (Daily Range Accrual) Return (which may be zero) = Guaranteed Principal x Potential Return Rate x Day Count Factor
- (iv) for CPI Deposits where the Type of Investment is "Bullish of Linked Currency 1 with Potential Multi-Coupon" or "Bearish of Linked Currency 2 with Potential Multi-Coupon" :
- (a) (American style) Coupon (in respect of an Observation Period) = Guaranteed Principal x Minimum Coupon Rate (which may be zero), provided that if at any time during an Observation Period, the Exchange Rate is equal to or above the Trigger Level, Coupon in respect of such Observation Period and the subsequent Observation Period(s) = Guaranteed Principal x Potential Coupon Rate (instead of Guaranteed Principal x Minimum Coupon Rate);
- (b) (European style) Coupon (in respect of a Coupon Determination Date) = Guaranteed Principal x Potential Coupon Rate, provided that the Potential Coupon Rate will be deemed to be the Minimum Coupon Rate (which may be zero) if the relevant Coupon Fixing Rate is below the Trigger Level;

- (v) for CPI Deposits where the Type of Investment is “Bearish of Linked Currency 1 with Potential Multi-Coupon” or “Bullish of Linked Currency 2 with Potential Multi-Coupon” :
- (a) (American style) Coupon (in respect of an Observation Period) = Guaranteed Principal x Minimum Coupon Rate (which may be zero), provided that if at any time during an Observation Period, the Exchange Rate is equal to or below the Trigger Level, Coupon in respect of such Observation Period and the subsequent Observation Period(s) = Guaranteed Principal x Potential Coupon Rate (instead of Guaranteed Principal x Minimum Coupon Rate);
- (b) (European style) Coupon (in respect of a Coupon Determination Date) = Guaranteed Principal x Potential Coupon Rate, provided that the Potential Coupon Rate will be deemed to be the Minimum Coupon Rate (which may be zero) if the relevant Coupon Fixing Rate is above the Trigger Level;
- (vi) for CPI Deposits where the Type of Investment is “Range Investment with Potential Multi-Coupon” :
- (a) (American style) Coupon (in respect of an Observation Period) = Guaranteed Principal x Potential Coupon Rate, provided that if at any time during an Observation Period, the Exchange Rate is at or above the Upper Barrier or at or below the Lower Barrier, Coupon in respect of such Observation Period and the subsequent Observation Period(s) = Guaranteed Principal x Minimum Coupon Rate (which may be zero) (instead of Guaranteed Principal x Potential Coupon Rate);
- (b) (European style) Coupon (in respect of a Coupon Determination Date) = Guaranteed Principal x Potential Coupon Rate, provided that the Potential Coupon Rate will be deemed to be the Minimum Coupon Rate (which may be zero) if the relevant Coupon Fixing Rate is at or above the Upper Barrier or at or below the Lower Barrier;
- For the avoidance of doubt, whether the above stated situations exist in respect of any CPI Deposit shall be determined in good faith by the Bank. Any such determination shall be conclusive and binding on the Customer.
7. In respect of a CPI Deposit, the procedures that will be applicable when a Disruption Event occurs are as follows:
- (i) if the Bank is not open for business due to a Disruption Event at any time on or throughout a day on which Final Exchange Rate or Coupon Fixing Rate is to be prescribed or determined by the Bank, the Final Exchange Rate or Coupon Fixing Rate may be prescribed or determined, in the sole and absolute discretion of the Bank, at different hours of such day or (as the case may be) the first succeeding Hong Kong Business Day or such other time the Bank considers appropriate;
- (ii) if there is a Disruption Event on the Expected Coupon Distribution Date and/or the Maturity Date (whether or not such Disruption Event exists or continues throughout the Expected Coupon Distribution Date and/or the Maturity Date), the payment of the Coupon (if any) and/or the Redemption Amount in relation to such CPI Deposit may, in the absolute discretion of the Bank, be postponed to the first succeeding Hong Kong Business Day on which there is no Disruption Event;
- (iii) interest on the Guaranteed Principal of the CPI Deposit at the then prevailing rate of interest applicable to the account designated by the Customer and notified to the Bank as the account to which the Redemption Amount of the CPI Deposit is to be payable to the Customer will be credited to the Customer for the period between the Maturity Date and the date on which such CPI Deposit is paid.
8. Any instruction given by or on behalf of a Customer in connection with a CPI Deposit is irrevocable and binding on such Customer and its estate. Where the Customer comprises two or more individuals, any instruction given by or on behalf of the Customer in connection with a CPI Deposit is irrevocable and binding on the surviving Customer(s) in the event of death of any Customer.
9. (i) CPI Deposits are also subject to the Bank's Account Rules - General and Account Rules - Term (Time and Call) and Swap Deposits (the “Account Rules”) and (if the Deposit Currency of the CPI Deposit is Renminbi) the terms and conditions (which shall include any information relating to the Renminbi Account issued by the Bank from time to time) governing the Renminbi Account (“Renminbi Account Terms and Conditions”) in force from time to time. Where there is any inconsistency between these Terms and Conditions, the Account Rules and (if applicable) the Renminbi Account Terms and Conditions, these Terms and Conditions shall prevail. Where there is any inconsistency between the Account Rules and (if applicable) the Renminbi Account Terms and Conditions, the Renminbi Account Terms and Conditions shall prevail.
- (ii) If a Customer is a holder of an Integrated Account and a CPI Deposit is booked under such Customer's Integrated Account, the terms and conditions governing the Integrated Account (“Integrated Account Terms and Conditions”) shall, to the extent applicable, apply to such CPI Deposit in addition to these Terms and Conditions. If the Deposit Currency of a CPI Deposit is Renminbi, such CPI Deposit shall also be subject to the terms and conditions (which shall include any information relating to the Renminbi Account issued by the Bank from time to time) governing the Renminbi Account (“Renminbi Account Terms and Conditions”) in force from time to time. Expressions defined in the terms and conditions governing the Integrated Account shall have the same meanings when used in these Terms and Conditions, unless otherwise defined in these Terms and Conditions. Where there is any inconsistency between these Terms and Conditions, the Integrated Account Terms and Conditions and (if applicable) the Renminbi Account Terms and Conditions, these Terms and Conditions shall prevail. Where there is any inconsistency between the Integrated Account Terms and Conditions and (if applicable) the Renminbi Account Terms and Conditions, the Renminbi Account Terms and Conditions shall prevail.
10. Notwithstanding any information and explanation given in respect of the CPI Deposit, the Terms and Conditions herein, Customer is not relying on any communication (written or oral) of the Bank as investment advice, as recommendation to place any CPI Deposit, or otherwise as any assurance of the earnings on the CPI Deposit. Customer shall consider the suitability of his/her placing of the CPI Deposit in the light of the risks involved and show review the termsheet (if any) relating to each particular CPI Deposit the Customer may place. The Bank is not acting as a fiduciary for or an adviser to the Customer in respect of the CPI Deposit.
11. (i) In addition to any rights of set-off the Bank may have as a matter of law or otherwise, the Bank will have the right to (but will not be obliged) without prior notice to the Customer or any other person to set off or apply any obligation of the Customer owed to the Bank (whether or not matured or contingent and whether or not arising under these Terms and Conditions, and regardless of the currency, place of payment or booking office of the obligation) against any obligation of the Bank owed to the Customer (whether or not matured or contingent and whether or not arising under these Terms and Conditions, and regardless of the currency, place of payment or booking office of the obligation).
- (ii) For the purpose of cross-currency set-off, the Bank may convert either obligation at the applicable market exchange rate selected by the Bank on the relevant date. If an obligation is unascertained, the Bank may in good faith estimate that obligation and set off in respect of the estimate, subject to the relevant party accounting to the other when the obligation is ascertained.
12. No person other than the Customer and the Bank will have any right under the Contracts (Rights of Third Parties) Ordinance to enforce or enjoy the benefit of any of the provisions of these Terms and Conditions.
13. Except provided otherwise in these Terms and Conditions, (a) the Bank may revise these Terms and Conditions and/or introduce additional terms and conditions at any time and from time to time and (b) these Terms and Conditions, any revision and/or addition to these Terms and Conditions, any items prescribed under these Terms and Conditions and any other information shall become effective subject to the Bank's notice (for a period of 30 days for any variation affecting fees and charges under the control of the Bank and the liabilities or obligations of the Customer or for such reasonable period as the Bank may prescribe in the case of any other variations) which may be given by display, advertisement or other means as the Bank thinks fit.
14. The amount of tax, if any, deducted from the Redemption Amount or any other amounts (if any) payable hereunder will be advised to the Customer each time the Redemption Amount or any other amount (if any) is paid.

15. The Bank reserves the right to impose fees or charges from time to time as the Bank in its absolute discretion thinks fit. The Bank will notify the Customer of any fees or charges imposed (or of any changes to such fees or charges) which may be applicable from time to time.
16. The CPI Deposit and the benefits of the Customer hereunder are not transferable without the written consent of the Bank, which may be granted or withheld in its sole discretion.
17. (i) All communications and notices delivered personally, sent by post, facsimile transmission, telex or email will be deemed to have delivered to the Customer (where delivered personally) at the time of personal delivery or on leaving it at the address last known to the Bank, (where by post) 48 hours after posting if the address is in Hong Kong and 7 days after posting if the address is outside Hong Kong or (where sent by facsimile transmission, telex or e-mail) on the date of dispatch to the facsimile or telex number or the e-mail address last registered with the Bank.
- (ii) All communications sent by the Customer to the Bank shall be in writing and shall be deemed to have been delivered to the Bank on the day of actual receipt.
18. Each of the provisions under these Terms and Conditions is severable and distinct from the others and, if one or more of such provisions is or becomes illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions shall not be affected or impaired in any way.
19. In these Terms and Conditions:
"Accrual Days" (where applicable) means, in respect of an Observation Period, the number of Observation Day(s) on each of which the Fixing Rate is equal to the Lower Barrier or Upper Barrier or is higher than the Lower Barrier but lower than the Upper Barrier during that Observation Period.
"Bank" means Hang Seng Bank Limited and its successors and assigns;
"Business Day" means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign currency and foreign currency deposits) in Hong Kong and the relevant principal financial centre(s) for the Deposit Currency (as determined by the Bank from time to time);
"Coupon" (where applicable) means, in respect of a CPI Deposit, the amount calculated in accordance with Clause 6 or in such other manner as may be agreed between the Bank and the Customer from time to time;
"Coupon Fixing Rate" (where applicable) means, in respect of a CPI Deposit, the Exchange Rate on a Coupon Determination Date determined by the Bank at such time and in such manner as described on the term sheet for such CPI Deposit;
"Coupon Determination Date" (where applicable) means, in respect of a CPI Deposit, the date(s) specified as such in the Bank's term sheet for such CPI Deposit, subject to any adjustment in accordance with these Terms and Conditions;
"Coupon Distribution Frequency" (where applicable) means, in respect of a CPI Deposit, the coupon distribution frequency as notified by the Bank to the Customer;
"Customer" means the person or persons making a CPI Deposit and includes the Customer's lawful successors and permitted assigns and the executors and personal representatives of the estate of such Customer. Where the Customer comprises two or more persons (persons to include individuals, associations, companies and the partners of a partnership): (i) references to the Customer shall be deemed to refer to such persons jointly and each of them individually, (ii) any act or omission of one shall be deemed the act or omission of all of them, (iii) they shall be jointly and severally liable to the Bank for the obligations of the Customer in connection with any CPI Deposit, (iv) any communication required to be made to the Customer may be sent to the address last known to the Bank of any one or more of such persons and in which case, such communication shall be deemed to have been duly sent to all of them, and (v) any notice served on any one or more of such persons shall be deemed to have been validly served on all of them. Where the Customer comprises a partnership, the expression shall include the person or persons from time to time carrying on the business of that partnership;
"Cut-off Time" means, in respect of a CPI Deposit, such time determined by the Bank and notified to the Customer to be the latest time and date by which the Bank must receive the funds for such CPI Deposit;
"Day Count Factor" (where applicable) means Accrual Days divided by Total Observation Days;
"Deposit Currency" means, in respect of a CPI Deposit, an Eligible Currency in which such CPI Deposit is denominated;
"Deposit Period" has the meaning ascribed to it in Clause 3;
"Disruption Event" means the hoisting of No.8 or higher typhoon signal or the issuing of a "Black" rainstorm warning;
"Eligible Currency" means any currency or currencies which may be determined by the Bank from time to time as such;
"Exchange Rate" means, in respect of a CPI Deposit, the exchange rate of Linked Currency 2 for Linked Currency 1, expressed in Linked Currency 2 per one unit of Linked Currency 1 (or any such number of units customarily used in the financial centre the Linked Currency 1), which the Bank determines to be prevailing in the relevant foreign exchange market at the relevant time of determination, such determination to be conclusive and binding on the Customer;
"Expected Coupon Distribution Date" (where applicable) means, in respect of a CPI Deposit, the date(s) determined by the Bank and notified to the Customer to be the expected date(s) on which Coupon (if any) will be paid to the Customer. If an Expected Coupon Distribution Date is not a Business Day, it shall be postponed to the next Business Day;
"Final Exchange Rate" (where applicable) means, in respect of a CPI Deposit, the Exchange Rate on the Final Exchange Rate Determination Day determined by the Bank at such time and in such manner as described on the term sheet for such CPI Deposit;
"Final Exchange Rate Determination Day" (where applicable) means, in respect of a CPI Deposit, the day specified as such in the Bank's term sheet for such CPI Deposit and confirmed in the Bank's advice or confirmation in respect of such CPI Deposit to the Customer, subject to any adjustment in accordance with these Terms and Conditions;
"Fixing Day" (where applicable) means, in respect of a CPI Deposit, the day prescribed by the Bank and notified to the Customer as the day on which an Observation Period shall end;

"Fixing Rate" (where applicable) means, in respect of a CPI Deposit, the Exchange Rate on an Observation Day determined by the Bank at such time and in such manner as described on the term sheet for such CPI Deposit; provided that if a Fixing Rate cannot be obtained or determined from the time, price source or manner specified in the relevant term sheet on an Observation Day, the applicable Fixing Rate for that Observation Day will be determined by the Bank in good faith at such other time, price source or manner as the Bank considers appropriate in its sole discretion;

"Fixing Time" (where applicable) means, in respect of a CPI Deposit, the time on the Fixing Day prescribed by the Bank and notified to the Customer at which the Observation Period shall end;

"Guaranteed Principal" means, in respect of a CPI Deposit, an amount equal to the product of (i) the Principal Amount of that CPI Deposit and (ii) the Principal Guarantee Percentage selected by the Customer for that CPI Deposit;

"Hong Kong" means the Hong Kong Special Administrative Region of the People's Republic of China;

"Hong Kong Business Day" means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign currency and foreign currency deposits) in Hong Kong;

"Initial Deposit" means, in respect of a CPI Deposit, a deposit placed by the Customer with the Bank within the applicable Offer Period in an amount equal to the Principal Amount of such CPI Deposit;

"Initial Exchange Rate" means the Exchange Rate determined by the Bank on the day, time and manner specified as such in the Bank's term sheet for such CPI Deposit;

"Integrated Account" means any account maintained by the Customer with the Bank and designated by the Bank from time to time as an Integrated Account;

"Linked Currency 1" means, in respect of a CPI Deposit, an Eligible Currency selected by the relevant Customer on or before making the relevant Initial Deposit as Linked Currency 1 for the purpose of such CPI Deposit;

"Linked Currency 2" means, in respect of a CPI Deposit, an Eligible Currency selected by the relevant Customer on or before making the relevant Initial Deposit to be the currency against which Linked Currency 1 shall be valued;

"Lower Barrier", "Lower Barrier 1" and "Lower Barrier 2" (where applicable) means, in respect of a CPI Deposit, the Exchange Rate(s) specified as such in the relevant termsheet and which may be expressed as the product of (i) the Initial Exchange Rate and (ii) such percentage(s) as agreed between the Bank and the relevant Customer on or before the Customer places the relevant Initial Deposit; such Lower Barrier, Lower Barrier 1 and/or Lower Barrier 2 (as the case may be) will be notified to the relevant Customer on or after the relevant Start Date, but the relevant Customer would have been committed to place the relevant CPI Deposit during the applicable Offer Period;

"Maturity Date" means, in respect of a CPI Deposit, the date determined by the Bank at the time the relevant Initial Deposit is made to be the date on which such CPI Deposit is scheduled to mature. If the Maturity Date is not a Business Day, it shall be postponed to the next Business Day;

"Minimum Return Rate" (where applicable) means, in respect of a CPI Deposit, the return rate notified by the Bank to the Customer pursuant to Clause 2. For the avoidance of doubt, the Minimum Return Rate may be zero;

"Minimum Coupon Rate" (where applicable) means, in respect of a CPI Deposit, the coupon rate notified by the Bank to the Customer pursuant to Clause 2. For the avoidance of doubt, the Minimum Coupon Rate may be zero;"Observation Day" (where applicable) shall have the meaning ascribed to it in the relevant Term Sheet;

"Observation Period" (where applicable) means the period(s) shall have the meaning ascribed to it in the term sheet;

"Offer Period" means, in respect of a CPI Deposit, such period up to the Cut-off Time as the Bank may prescribe at its discretion within which an Initial Deposit must be placed in order that a CPI Deposit may be made on the relevant Start Date;

"Potential Return Rate", "Potential Return Rate 1" and "Potential Return Rate 2" (where applicable) means, in respect of a CPI Deposit, the return rate(s) notified by the Bank to the Customer pursuant to Clause 2;

"Potential Coupon Rate", "Potential Coupon Rate 1" and "Potential Coupon Rate 2" (where applicable) means, in respect of a CPI Deposit, the coupon rate(s) notified by the Bank to the Customer pursuant to Clause 2;

"Principal Amount" means, in respect of a CPI Deposit, the amount to be invested by the Customer for such CPI Deposit, as proposed by the Customer and accepted by the Bank;

"Principal Guarantee Percentage" means, in respect of a CPI Deposit, the percentage specified by the Bank on or before the relevant Customer places the Initial Deposit for the purpose of calculating the Guaranteed Principal of that CPI Deposit;

"Redemption Amount" means, in respect of a CPI Deposit, (i) (for CPI Deposit where the "Type of Investment" is "with Potential Multi-Coupon") the sum of the Guaranteed Principal and Coupon (if any) in respect of the last Coupon Determination Date or last Observation Period; or (ii) (for other types of CPI Deposit) the sum of the Guaranteed Principal and the Return (if any), as calculated and determined by the Bank;

"Renminbi Account" means, the Renminbi Account maintained by the Customer with the Bank;

"Return" (where applicable) means, in respect of a CPI Deposit, the amount calculated in accordance with Clause 6 or in such other manner as may be agreed between the Bank and the Customer from time to time;

"Start Date" means, in respect of a CPI Deposit, a date specified by the Bank on which such CPI Deposit may be placed with the Bank in accordance with Clause 4;

"TARGET Business Day" (where applicable) means any day on which the TARGET System is scheduled to open. For the avoidance of doubt, a TARGET Business Day on which the TARGET System does not open shall still be considered as a TARGET Business Day;

"TARGET System" (where applicable) means the Trans-European Automated Real-time Gross settlement Express Transfer system;

"Total Observation Days" (where applicable) means the total number of Observation Day(s) in an Observation Period;

"Trigger Level" (where applicable) means, in respect of a CPI Deposit, the Exchange Rate specified as such, which is the product of (i) the Initial Exchange Rate and (ii) such percentage as agreed between the Bank and the relevant Customer on or before the Customer places the relevant Initial Deposit; such Trigger will be notified to the relevant Customer on or after the relevant Start Date, but the relevant Customer would have been committed to place the relevant CPI Deposit during the applicable Offer Period;

"Type of Investment" means, in respect of a CPI Deposit, a market view of "Bullish of Linked Currency 1", "Bullish of Linked Currency 1 with Potential Multi-Coupon", "Bearish of Linked Currency 1", "Bearish of Linked Currency 1 with Potential Multi-Coupon", "Bullish of Linked Currency 2", "Bullish of Linked Currency 2 with Potential Multi-Coupon", "Bearish of Linked Currency 2", "Bearish of Linked Currency 2 with Potential Multi-Coupon", "Range Investment" or "Range Investment with Potential Multi-Coupon" as selected by the relevant Customer on or before making the relevant Initial Deposit; and

"Upper Barrier", "Upper Barrier 1" and "Upper Barrier 2" (where applicable) means, in respect of a CPI Deposit, the Exchange Rate(s) specified as such in the relevant termsheet and which may be expressed as the product of (i) the Initial Exchange Rate and (ii) such percentage(s) as agreed between the Bank and the relevant Customer on or before the Customer places the relevant Initial Deposit; such Upper Barrier, Upper Barrier 1 and/or Upper Barrier 2 (as the case may be) will be notified to the relevant Customer on or after the relevant Start Date, but the relevant Customer would have been committed to place the relevant CPI Deposit during the applicable Offer Period.

20. These Terms and Conditions shall be governed by and construed in accordance with the laws of Hong Kong. The Customer submits to the non-exclusive jurisdiction of Hong Kong courts. In the event of discrepancy between the English and Chinese versions of these Terms and Conditions, the English version shall prevail.

21. Use of data

To enable the Bank to consider whether to provide the Customer with any services under these Terms and Conditions, the Customer is required to supply to the Bank from time to time personal data and/or other information of the Customer and, where applicable, any director, authorized signatory and/or other office or representative of the Customer (the "Data") and failure to do so may result in the Bank's inability to provide such service. The Data will be used for considering the Customer's request and subject to the Bank's agreeing to provide such service, the Data and details and all information relating to transactions or dealings with the Bank will be used in connection with the provision of such service to the Customer.

The Customer acknowledges and agrees (for and on behalf of the Customer and, where applicable, each director, authorized signatory and/or other officer or representative to the Customer) that

- (i) all Data and information relating to the Customer and an individual which are provided by the Customer and/or such individual at the request of the Bank or collected in the course of dealings between the Customer or such individual and the Bank may be held, used, processed and disclosed by the Bank for such marketing and other purposes and to such persons in accordance with the Bank's policies on use and disclosure of personal data as set out in statements, circulars, notices or terms and conditions made available by the Bank to Customers and other individuals from time to time;
- (ii) the Data may be disclosed to, or held, used and processed by any debt collection agency, credit reference agency or similar service provider for purpose of verifying such Data or enabling them to provide such Data to other institutions: (a) in order that they may carry out credit and other status checks; and (b) to assist them to collect debts;
- (iii) the Bank may transfer the Data outside the Hong Kong Special Administrative Region, conduct matching procedures (as defined in the Personal Data (Privacy) Ordinance) using the Data and such other personal data and information relating to the Customer and/or relevant individual, and provide banker's or credit reference in respect of the Customer and/or such individual.

The Customer has the right to request access to and correction of any of the Data or to request the Data not to be used for direct marketing purpose. Any request may be made in writing and addressed to the Data Protection Officer of Hang Seng Bank Limited, 83 Des Voeux Road Central, Hong Kong or by facsimile at such facsimile number as the Bank may from time to time prescribe. The Bank will comply with such request unless the Bank may or is required to refuse to do so under the applicable law and regulations.