

E-Channels Terms and Conditions (E-Terms) General E-Terms

1. Introduction

- 1.1 The E-Channels shall be governed by these terms and conditions and the terms and conditions which apply to the Services (the "Service Terms") and which shall replace all previous agreements between the Parties relating to the E-Channels. In the event of any conflict between any applicable terms, the following order of priority shall apply:
 - (a) the applicable Country Conditions;
 - (b) any Supplementary E-Terms;
 - (c) the General E-Terms; and
 - (d) any Service Terms.
- 1.2 The E-Terms may be entered into by the execution of any number of copies of the relevant Application Form, all of which taken together shall form one document.
- 1.3 References to the singular include the plural and vice versa. Clause headings are included for convenience only and do not affect interpretation.

2. Definitions

- **Account Holder** means the party agreeing to have their accounts and/or Services included on the Profile Owner's E-Channel.
- **Application Form** means any form in which the Profile Owner agrees to the provision of an E-Channel by the Profile Bank.
- **Authorised Person** means a person that the Profile Owner has authorised (either alone or in combination with others) to give Instructions and/or otherwise perform acts on the Profile Owner's behalf.
- **Country Conditions** means, for each relevant jurisdiction, the specific terms which supplement and/or amend any E-Terms.
- **E-Channel** means the Group's electronic banking systems.
- **E-Terms** means the General E-Terms, any applicable Supplementary E-Terms and any applicable Country Conditions.
- **General E-Terms** means these terms and conditions.
- **Group** means HSBC Holdings plc, its subsidiaries, related bodies corporate, associated entities and undertakings and any of their branches.
- **Infrastructure Provider** means any third party providing shared market infrastructure necessary for a Party to perform its obligations under the E-Terms including any communications, clearing, settlement or payment system, or intermediary or correspondent bank.
- **Instruction** means any communication which is received by the Profile Bank via an E-Channel which has or appears to have been provided by an Authorised Person.
- **Loss** means any loss, damages, liability, costs, claims, demands and expenses of any kind whether or not foreseeable.
- **Party** means the Profile Owner or the Profile Bank.
- **Profile Bank** means the member of the Group that provides the Profile Owner with an E-Channel.
- **Profile Owner** means the party provided with access to the E-Channel by the Profile Bank.
- **Security Measures** means the measures required to ensure the security of an E-Channel as may be provided to the Profile Owner by the Profile Bank from time to time.
- **Services** means any banking or related service provided and accessed via an E-Channel.
- **Supplementary E-Terms** means any terms and conditions which relate to a particular E-Channel service and incorporates these terms and conditions.

3. Instructions

- 3.1 The Profile Owner agrees to provide Instructions in the form which the Profile Bank has advised it to use from time to time, and the Profile Bank shall not be obliged to act on an Instruction provided in any other form.
- 3.2 Provided it followed its Security Measures, the Profile Bank is entitled to rely on any Instruction and the Profile Bank may treat all Instructions received as authorised and valid. The Profile Owner is responsible for setting up its profile on E-Channels to be in accordance with its own mandates and internal controls. Neither the Profile Bank nor any other member of the Group is under any obligation to review whether an Instruction conflicts with any other instruction or mandate of the Profile Owner or Account Holder. The Profile Bank may decline or delay to act on an Instruction where it doubts its legality, origination or authorisation.
- 3.3 The Parties agree to comply with the Security Measures. The Profile Owner shall establish, maintain and review its own appropriate internal security measures for its use of and access to the E-Channels, including the installation and ongoing update of anti-virus software. The Profile Owner is responsible for ensuring the appropriate application of the Security Measures when submitting Instructions.
- 3.4 The Profile Owner shall promptly acquire, maintain, update and install (where relevant) any equipment, software, telecommunications facilities, networks, connections, patches, releases and/or updates which the Profile Bank requires it to obtain and use, or that the Profile Bank provides to the Profile Owner in connection with its access to the E-Channel. The Profile Owner is responsible for obtaining and maintaining the computer software and equipment necessary to access and use the E-Channels.
- 3.5 The Profile Owner shall not alter, reverse engineer, copy (other than to the extent necessary for the permitted use), publish or impart to any third party any products or services provided by the Profile Bank, including the E-Channel or any software or materials provided as part of its products or services.

4. Warranties, Representations and Undertakings

- 4.1 The Profile Owner undertakes to:
 - (a) provide to the Profile Bank all documents and other information reasonably requested by it from time to time in relation to the E-Channel; and
 - (b) notify the Profile Bank as soon as possible if it becomes aware of any theft, fraud, illegal activity, loss, damage or other misuse in relation to the E-Channel.
- 4.2 If the Profile Owner uses or accesses an E-Channel in relation to an account of a third party, it represents and warrants that it has appropriate authorisation from that third party to do so.
- 4.3 Neither the Profile Bank nor any other member of the Group shall be liable for any Loss suffered as a result of the acts or omissions of an Infrastructure Provider, but will cooperate with the Profile Owner in the recovery of any such Loss.
- 4.4 The Profile Bank may suspend the E-Channels for maintenance or for any other reason where it reasonably considers it necessary to do so. The Profile Bank will provide the Profile Owner with reasonable prior notice of the suspension where it is practical to do so.

5. Fees and charges

The Profile Owner shall pay to the Profile Bank such fees, costs, charges, interest and expenses in connection with the E-Channels as stipulated by or agreed with the Profile Bank in accordance with the terms and conditions applicable to the Services.

6. Amendments

The Profile Bank may make amendments to the E-Terms which will become effective on the expiry of 45 days' notice to the Profile Owner. Any such notice may be given to the Profile Owner in writing or by publishing such amendments on www.hsbcnet.com. However, the Profile Bank may, in exceptional circumstances, make amendments to the E-Terms at any time in order to comply with any law or regulation, which will become effective immediately on notice to the Profile Owner.

E-Channels Application Form

7. Termination

- 7.1 Either Party can terminate any or all E-Terms and/or E-Channels by giving 30 days prior written notice to the other. Any liabilities owing to the Profile Bank thereunder will become immediately due and payable on termination of the E-Terms.
- 7.2 Subject to any applicable legal or regulatory restriction, either Party can terminate any or all E-Terms and/or E-Channels immediately if:
 - (a) the other Party commits a material breach of the E-Terms which is incapable of remedy or not remedied within a reasonable time period;
 - (b) the other Party becomes insolvent; or
 - (c) it is or may become unlawful for that Party to perform its obligations under any of the E-Terms.
- 7.3 Clauses 7.3 and 3.5 shall survive termination of the E-Terms.
- 7.4 In the event that any Services are terminated, the Service Terms shall survive the termination of such Services to the extent necessary to give effect to the E-Terms.

Security Measures

This document sets out the security measures (as may be revised or updated by the HSBC Group from time to time) for any electronic banking systems (“E-Channels”) provided by any member of the HSBC group (the “Profile Bank”) to its customers (the “Profile Owner”).

Profile Bank Security Measures

1. The Profile Bank shall employ measures to deny access by unauthorised external parties to the environment in which its internet service operates.
2. The Profile Bank shall ensure that its systems are strictly controlled including having business continuity plans.
3. As part of the Profile Bank’s security measures, users authorised by the Profile Owner (“Users”) who access the HSBCnet E-Channel may be subject to automatic suspension when they have not logged into HSBCnet within a 6 month period. If a HSBCnet profile is not accessed by any Users within an 18 month period, the HSBCnet profile may also be suspended.
4. If biometric authentication methods (for example, fingerprint scan or facial recognition) are used to access an E-Channel from a mobile device, the Profile Bank and associated HSBC entity that provides applications to the mobile device, reserve the right to remove the biometric authentication feature at any time and, if necessary, without notice if there are concerns relating to the security of a device. In normal circumstances, it will still be possible to authenticate via the mobile device using other existing methods.

Profile Owner Security Measures

1. The Profile Owner shall only access E-Channels using the authentication methods prescribed by the Profile Bank.
2. The Profile Owner shall ensure that all Users keep their security credentials (password, memorable answer, security answers, Security Device PIN, mobile device password/PIN or any other security credential required to access E-Channels, as applicable) secure and secret at all times and not facilitate any unauthorised use of these credentials. In particular, the Profile Owner shall not share any security credentials or access of an E-Channel with any third party other than to a regulated third party service provider that the Profile Owner has authorised.
3. The Profile Owner is responsible for the careful selection of its Users, noting such Users are provided with access to a wide range of capabilities including assigning entitlements to accounts or other services and sending instructions in relation to those accounts or services.
4. The Profile Owner shall notify the Profile Bank promptly if any Security Devices are lost or stolen.
5. The Profile Owner shall:
 - (a) promptly take appropriate action to protect any User’s profile if it has any suspicion that such User’s credentials have been in full or part compromised in any way;
 - (b) review recent activity on its accounts and User profiles if it suspects any User’s credentials have been compromised and inform the Profile Bank promptly of any discrepancies; and
 - (c) regularly review its account and Users’ profile activity and entitlements to ensure that there are no irregularities and report any discrepancies promptly to the Profile Bank.

6. The Profile Owner shall promptly remove a User from its E-Channel profile in the event that any such User leaves the Profile Owner’s organisation. The Profile Owner shall promptly suspend the use of the E-Channels by any User where there is any concern about the conduct of that User or their entitlements. The Profile Owner shall ensure that security credentials or devices are only used by the specific individual User that they are assigned to other than to a regulated third party service provider that the Profile Owner has authorised.
7. The Profile Owner shall ensure that its users provide correct, full and unabbreviated details whenever they are required by the HSBC Group. The Profile Owner shall further ensure that their Users regularly review such information and update their details whenever there is a change to their details and do not maintain more than one username or set of security credentials at any time.
8. The Profile Owner shall inform the Profile Bank within seven days of dispatch of a Security Device by the Profile Bank that it has not received the package sent, provided that the Profile Owner is made aware of the dispatch.
9. The Profile Owner shall return any Security Devices to the Profile Bank promptly if requested by the Profile Bank.
10. The Profile Owner shall adopt and review its internal security measures on a regular basis to ensure protection remains up to date and in line with regulatory and industry best practice guidance. These should include, but not be limited to, malware protection, network restrictions, physical access restrictions, remote access restrictions, computer security settings, monitoring of improper usage, guidance on acceptable web browsers and email usage including how to avoid acquiring malware.
11. The Profile Owner shall have processes in place to prevent Users being socially engineered or acting on fraudulent communications. This is to prevent business email compromise and similar schemes where a fraudster sends an email impersonating someone known to the authorised User for an E-Channel and seeking to change an address or bank account number where payments are to be sent. Such processes should include, for example, where communications are received by Users seemingly from known senders (including, but not limited to, senior management, suppliers and vendors) to ensure the authenticity of those communications are independently verified (through a means other than email).
12. If any E-Channel is accessed by a User via a mobile device, the Profile Owner shall require that the User:
 - (a) does not leave the mobile device unattended after logging on to any E-Channels;
 - (b) clicks the ‘Logout’ button when the User is finished accessing any E-Channels;
 - (c) enables the mobile device’s automatic pass code lock feature;
 - (d) does not share mobile devices being used to access E-Channels with others;
 - (e) is the only person registered for biometrics (for example, face, fingerprint, voice, retina etc.) on the device;
 - (f) takes steps to de-register devices that should no longer be used as an authentication method as envisaged in clause 15; and
 - (g) does not access the E-Channel via a mobile device that has been jailbroken, rooted or otherwise compromised.
13. The Profile Owner acknowledges and agrees that in the event that its E-Channel is suspended for any reason, any subsequent reactivation of that E-Channel will automatically reinstate all original entitlements, limits, User access and access to the same accounts and services as prior to such suspension.
14. The Profile Owner should be aware that Users accessing an E-Channel via a mobile device can carry out a wide range of activities using the device. This includes utilising the mobile device (for instance, in place of a Security Device) to authenticate activities carried out on a separate E-Channel session conducted via a desktop computer.
15. Where Users access E-Channels via biometric authentication measures available on certain mobile devices (for example, fingerprint scan or facial recognition), the Profile Owner acknowledges that such methods of authentication still pose a risk of being compromised or permitting unauthorised access (for instance where close family members are involved).