

# **Terms & Conditions**

## **for a PHP Vostro Account**

from



The Hongkong and Shanghai Banking Corporation Limited  
Global Banking - Financial Institutions Group  
8/F The Enterprise Centre, Tower 1  
6766 Ayala Avenue corner Paseo de Roxas  
Makati City, Metro Manila  
Philippines

**November 2009**

## Account Opening

To open an account, we will only need an authenticated SWIFT message on the understanding that future instructions will similarly be sent on this basis. Our SWIFT address is HSBCPHMM.

Non-resident accounts may be funded only through inward remittances or from income or proceeds of conversion from property located in the Philippines. Each time you fund your account, you are required to present proof that the funds were sourced from an inward remittance of foreign currency or from income or proceeds of conversion from property located in the Philippines. If the inward remittance will be converted by another local bank, they must add the following confirmation in the narrative: "SOURCE OF FUNDING IS AN INWARD REMITTANCE OF FOREIGN CURRENCY CONVERTED WITH AN AUTHORIZED AGENT BANK" or "FUNDS ARE FROM INCOME OR PROCEEDS OF CONVERSION FROM PROPERTY LOCATED IN THE PHILIPPINES." Without this confirmation, the Bank may refuse to accept any remittance of funds into your account. HSBC will not be liable for any loss, damage and/or expense which you may incur as a result of the Bank's refusal to accept the funds.

## Account Maintenance & Minimum Balance Requirement

Effective August 2009, the minimum monthly Average Daily Balance (ADB) requirement is PHP500,000.00. A PHP2,000.00 charge will be levied if the ADB falls below the monthly minimum.

## Statements & Advices

Statements can be issued daily, weekly or monthly via SWIFT MT950. Effective September 1, 2009, we will be charging the following fees for SWIFT MT950 statements:

AMOUNT	FREQUENCY
Php5,000.00	daily MT950 statement
Php2,500.00	weekly MT950 statement
Php500.00	monthly MT950 statement
Php1,500.00	transactional MT950 statement (i.e. an MT950 will only be issued when your account has a transaction, and during month-end)

Kindly advise us your preferred frequency via SWIFT MT199 to HSBCPHMM. Unless we receive an instruction from you, we will send monthly MT950's to all PHP vostro account holders starting September 2009.

Should you notice any errors in your statement, please notify us via authenticated SWIFT within sixty (60) days from receipt of statement. Should you fail to respond or deliver any notice within the period aforementioned, you waive all your rights to raise any objection to, or to contest, and shall be deemed to have agreed to, the correctness and validity thereof.

## Cheque Issuance

Please send a SWIFT MT110 to confirm each cheque or draft you issue against your vostro account with HSBC Manila. Without the MT110, the Bank will return the cheque. HSBC will not be liable for any loss, damage and/or expense which you may incur as a result of the Bank's refusal to honor the cheque.

## Access

Your PHP account can be electronically accessed through our electronic banking system HSBCNet for payments and account information.

## Debit & Credit Interest

No interest is payable on credit balances. Local regulations prohibit overdrafts. However, should your account be inadvertently overdrawn due to non-receipt of cover funds, you will be imposed a penalty charge of 21.25% p.a. The penalty charge is subject to change without prior notice.

## Inward Remittances

Effective 15 May 2009, the following inward remittance fee charges will be automatically debited from your account on a per transaction basis.

PAYMENT TYPE	CUT-OFF	CHARGES
Overseas Telegraphic Transfer	Mon – Fri 17:00 local time	Documentary Stamp Tax of Php0.30 for every Php200.00 or fraction thereof plus Php480.00
Inward Local Payment	Mon – Fri 17:00 local time	Php100.00
Inward Real Time Gross Settlement	Mon – Fri 17:00 local time	Php200.00

## Outward Remittances

Payment instructions must be complete to ensure straight-through processing.

To ensure prompt settlement of your payment instructions, please fund your account at least one day before value date. Please send us a "Notice to Receive" (MT210) of all inward credits that you are expecting in your account. Payments from your account are usually made in the early afternoon and payments to your account are received near the end of the day.

PAYMENT TYPE	CUT-OFF	CHARGES
Manager's Cheque	Mon – Fri 11:00 local time	Php650.00
Local Payment (inter-bank transfer for credit the next day)	Mon – Fri 13:00 local time	Php700.00
Real Time Gross Settlement (inter-bank transfer for same day credit) <i>Note: Please indicate in the narrative that payment is for same-day credit, otherwise this will be processed as local payment.</i>	Mon – Fri 15:00 local time	Php1,000.00
Transfer to an account held with HSBC Philippines	Mon – Fri 17:00 local time	Php480.00

## Cancellation/Return/Amendment Requests

Due to the automated nature of our systems, to guarantee action of these requests, such instructions must be received by our Payment Services Department the working day prior to value date. Any instructions received later will be handled on a best efforts basis. This will be charged Php450.00 processing fee.

## **Contact Points**

### **Relationship Management**

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Global Banking Officer  
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### **Payments and Cash Management**

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*Note: As per normal banking practices, the above terms and conditions are subject to change without prior notice.*