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HSBC's Credit Card Products

Terms and Conditions

IMPORTANT! Before YOU use YOUR HSBC credit card, please read this Agreement carefully. By using (which includes activating) YOUR HSBC credit card, YOU acknowledge and confirm to have accepted the terms and conditions set out in this Agreement and be bound by them.

1. DEFINITION OF TERMS

As used herein, the following terms shall have the following meaning/s:

"CARD" – Refers to credit cards issued by HSBC (Primary and Supplementary Card(s)).

"YOU" or "YOUR" – Refers to you as the person to whom or for whose use a CARD was issued by HSBC.

"HSBC" or "BANK" – Refers to The Hongkong and Shanghai Banking Corporation Limited

"CREDIT LIMIT" – Refers to the maximum outstanding balance of charges, which YOU and YOUR supplementary cardholders are allowed to maintain at any given time subject to security features and credit limit management features that the HSBC may impose for YOUR benefit.

"INSTALLMENT" – Refers to the facility which allows YOU to purchase selected goods and services from merchants using YOUR CARD and to pay for the same, together with applicable interest and other fees, in equal monthly payments. In certain instances or promotions, HSBC may allow YOU to convert cash advance transactions, existing balances on the CARD or balances on credit cards issued by other banks into installment transactions, which shall be payable in equal monthly payments subject to the applicable interest and other fees.

"CASH ADVANCE" – Refers to:

- The facility which allows YOU to withdraw cash using YOUR CARD from any designated Automated Teller Machine (ATM) and your assigned Personal Identification Number (PIN) by HSBC.
- QUASI-CASH TRANSACTIONS and related fees and interest charges.

"QUASI-CASH TRANSACTIONS" – Refers to transactions representing a purchase of foreign currency or items (including but not limited to, gaming chips, money orders and lottery tickets) which may be convertible to cash, and may also include transactions such as the transfer of funds under a wire transfer money order, the funding of accounts and such other transactions as determined by the relevant card association from time to time.

"HSBC GROUP" – Refers to companies wholly or partially owned by HSBC, its parent companies or under common ownership with it.

“TERMS AND CONDITIONS” or “AGREEMENT” – Refers to these Terms and Conditions for HSBC’s credit card Products

2. THE CARD

The CARD issued to YOU is the sole property of HSBC and YOU are obligated to return it to HSBC upon HSBC’s request. The CARD bears YOUR name and signature and is non-transferable and will be accepted at accredited merchants only when properly signed and presented by YOU.

3. CARD REPLACEMENT

Unless earlier terminated or cancelled, HSBC may replace the CARD from time to time.

4. YOUR RESPONSIBILITY

- (a) YOU are responsible for the use of credit card facilities granted by HSBC and all Card Transactions, whether or not YOU sign a sales slip (this includes Card Transactions that may be effected by telephone, mail or electronic means or via direct debit arrangement without a sales slip or without YOUR signature) and whether or not effected voluntarily, including all related fees and charges. YOU remain liable notwithstanding the termination of YOUR Card or this Agreement.
- (b) All charges, advances or amounts in currencies other than Philippine Pesos shall be automatically converted at the time of posting to the billing currency (Philippine Pesos) at VISA/MASTERCARD’s foreign exchange selling rate, and shall be charged additional fees equivalent to the following: HSBC’s service fee equivalent to 2.50% of the converted sum, and reimbursement cost for the assessment fee charged by VISA/MASTERCARD to HSBC equivalent to 1% of the converted sum. The additional fees shall be imposed at the sole and absolute discretion of HSBC, and may be subject to change. YOU shall be informed prior to any such change. Such billing currency amount represents the amount due to HSBC for HSBC’s purchase and payment on YOUR behalf of the foreign currency necessary to discharge the amount/s due to VISA/MASTERCARD and/or the acquiring bank and/or foreign merchant affiliate/s.
- (c) For cash advances through any designated automated teller machines (ATM), which accept the CARD, YOU shall be assigned a Personal Identification Number (PIN) by HSBC.
- (d) YOU should not transfer YOUR Card or PIN or allow any other person to use YOUR Card or PIN. YOU should safeguard YOUR Card and PIN and keep them confidential and under YOUR personal control.
- (e) To protect YOUR interest, YOU should take appropriate security measures including the following:
 - i. sign YOUR CARD as soon as YOU receive it;
 - ii. keep YOUR CARD in a secure place and treat it with care, as if it were cash;
 - iii. remember to retrieve YOUR CARD from the ATM after use;
 - iv. make sure YOUR CARD is returned to YOU promptly after a Card Transaction;
 - v. keep a note of YOUR credit card number in a safe place, separate from YOUR CARD;
 - vi. when YOU receive HSBC’s PIN notification, memorize the PIN and destroy the notification;
 - vii. make sure YOUR PIN is not seen/read by any other person when YOU use it in the presence of others;

- viii. change YOUR PIN regularly;
 - ix. if YOUR PIN is or may have been seen by any other person, change it immediately;
 - x. DO NOT write down or keep YOUR PIN on or close to YOUR CARD. YOU should disguise any record of YOUR PIN;
 - xi. DO NOT choose obvious numbers for YOUR PIN (such as date of birth, telephone number or other easily accessible personal information);
 - xii. DO NOT use the same PIN for other services or purposes (such as connecting to the Internet or accessing other websites);
 - xiii. DO NOT allow any other person to use YOUR CARD or PIN;
 - xiv. always complete the 'total' box on the sales slip and put a currency sign before the numerals; DO NOT leave any space that would allow others to insert other writing/words/information not authorized by YOU;
 - xv. make sure only one sales slip is imprinted for each Card Transaction; and
 - xvi. keep the customer copy of each sales slip and check it against YOUR CARD's statement.
- (f) YOU agree that all cash advances using the CARD shall be conclusively presumed to have been personally made or authorized by YOU.
 - (g) YOU should make sure YOU sign each sales slip with the signature YOU provided to HSBC in relation to the use of YOUR CARD. HSBC has no obligation to recognize or accept a different signature unless (1) YOU have notified the bank through such form and manner specified by HSBC, and (2) HSBC has been given reasonable time to process YOUR notification.
 - (h) YOU should report any loss, theft, or unauthorized use of YOUR CARD or PIN in accordance with Clause 10 below.
 - (i) YOU should ensure that each additional Cardholder uses and handles his/her CARD, and related matters, in accordance with this Agreement.
 - (j) HSBC may change the credit card number and/or expiry date when issuing a replacement CARD to YOU. YOU are solely responsible for communicating this change to any party with whom YOU may have payment arrangements. HSBC will not be responsible for any consequences arising from declined transactions, whether submitted under the old card number or otherwise.
 - (k) YOU shall safely keep the CARD and not use the CARD after its expiry date or upon its cancellation or suspension, nor permit anyone to use the CARD for any reason whatsoever.
 - (l) YOU shall provide HSBC with copies of additional/updated documents that HSBC may reasonably require from time to time, including but not limited to copies of YOUR latest Income Tax Returns (ITRs) and Audited Financial Statements (when applicable), duly stamped as received by the Bureau of Internal Revenue (BIR), and/or BIR Form 2316.
 - (m) You may not use the card for corporate business transactions (as determined by us in our sole discretion).

5. JOINING, SUBSCRIPTION AND ANNUAL OR MEMBERSHIP FEES

YOU shall pay HSBC a joining fee, subscription fee and an annual or membership fee, as may be set by HSBC from time to time. The annual or membership fee and joining fee shall cover the administrative costs incurred by HSBC for the issuance and maintenance of YOUR CARD. The subscription fee, such as mileage program fee, allows YOU to enjoy the benefits of the program subscribed to, such as redeeming miles against Bonus Points under a mileage program. HSBC reserves the right to alter from time to time such benefits and the credit limit without any prior notice to or consent from YOU. Such benefits and credit limit shall further be subject to the other terms and conditions for the use of the CARD. All paid fees indicated herein are non-refundable even if the credit privileges are suspended or terminated, or if the CARD is surrendered by YOU before the expiry date.

6. SUPPLEMENTARY CARDS

The use of Supplementary Card shall be governed by this Agreement. YOU (primary Cardholder) shall be liable for all purchases and cash advances made, including all interest and charges incurred through the use of YOUR Supplementary Card(s), as well as for any breach by YOUR Supplementary Card(s) of these terms and conditions. Primary and Supplementary CARDHOLDERS share the same credit limit.

YOU are liable for any and all obligations, charges and fees under YOUR Supplementary Cardholder's credit card Account, while the Supplementary Card(s) is active and even after Supplementary Card(s) cancellation, irrespective of whether the amounts were incurred with or without YOUR knowledge or consent.

7. SPECIFIC TERMS AND CONDITIONS APPLICABLE TO HSBC'S CONTACTLESS CREDIT CARDS

- HSBC's contactless CARD may be used to carry out card transactions at all applicable point-of-sale terminals;
- As an additional usage avenue for YOUR convenience, YOU may use HSBC's contactless CARD to effect card transactions at applicable contactless point-of-sale card readers, which allow the execution of card transactions, by tapping or waving the CARD against the reader on a contactless basis ("Contactless Transactions"). Said Contactless Transactions do not require any signature, PIN or other authentication on YOUR part for transactions made in the Philippines not exceeding Two Thousand Philippine Pesos (PHP2,000.00), or whichever amount HSBC or Visa/MasterCard may set from time to time.
- Any usage of HSBC's contactless CARD at any contactless CARD reader, if permitted by HSBC, shall be subject to such terms and conditions as HSBC and Visa/MasterCard may set from time to time.

8. ACCREDITED MERCHANTS

HSBC has an agreement with Visa/MasterCard whereby the CARD shall be honored at all Visa/MasterCard accredited merchants worldwide at all times. However, HSBC shall not be liable to YOU if, for any reason, the CARD is not honored by the merchant or the acquiring bank, or by Visa/MasterCard. YOU agree to hold HSBC free and harmless from any and all claims for damages as a result of the failure of any accredited merchant or any acquiring bank, or of Visa/MasterCard to honor the CARD. Further, HSBC shall not be responsible for any defective product or service purchased through the CARD. Any complaint regarding goods or services purchased using the CARD shall be referred to the merchant. This, however, shall not affect YOUR responsibility or obligation to pay the outstanding balance on the CARD.

Upon restraint, suspension, cancellation, withdrawal or termination of the CARD, YOU shall immediately cancel or terminate any subscription, enrolment, payment authority and/or any recurring transaction arrangement YOU may have with any accredited merchant. After the restraint, suspension, cancellation, withdrawal or termination of the CARD, YOU shall be liable for any charges made on the CARD in accordance with Clause 15 below.

9. CO-OBLIGOR

YOU shall provide, upon request, an acceptable CO-OBLIGOR. The CO-OBLIGOR shall be jointly and severally liable with YOU to pay HSBC all obligations and charges made through the use of the CARD.

The CO-OBLIGOR shall notify YOU and HSBC in writing of his/her/its intention to withdraw as YOUR CO-OBLIGOR and may be discharged subject to the condition that the CO-OBLIGOR continues to be liable for all amounts unpaid and outstanding as of thirty (30) days from receipt by HSBC of such written notice. Failure by YOU to immediately furnish a new CO-OBLIGOR acceptable to HSBC may result in the automatic termination or suspension of YOUR privileges.

10. LOSS OF THE CARD, THEFT OR MISUSE OF YOUR CARD OR PIN

In case of loss, theft or misuse of the CARD, YOU shall immediately report such fact to HSBC, giving details of the place, date and circumstances of the incident and the last purchase(s) made prior to the loss, theft or misuse. YOUR liability for all purchases and/or cash advances made through the use of the lost, stolen or misused CARD shall cease only upon YOUR verbal notification to HSBC. A card replacement fee shall be charged to YOU to cover replacement of the CARD and the costs in disseminating information about the loss, theft or misuse.

If YOU report an unauthorized transaction in accordance with this Agreement before its settlement date, YOU are entitled to withhold payment of the disputed amount. While its investigation is ongoing, HSBC will not impose any finance charge or interest on the disputed amount or make an adverse credit report against YOU. After HSBC has investigated in good faith, and if the investigation result shows that YOUR report was unfounded, HSBC has the right to re-impose the finance charge or interest on the disputed amount over the whole period (including the investigation period). The result of HSBC's investigation and its decision is final and binding on YOUR part.

11. USE OF THE CREDIT LIMIT (ASSIGNMENT AND REVIEW)

Upon acceptance or approval of YOUR application, a CREDIT LIMIT expressed in local currency (Philippine Pesos), inclusive of a cash advance limit, shall be assigned to YOU. The CREDIT LIMIT represents the maximum outstanding balance, including any installment transaction/s made using the CARD, that YOU and YOUR SUPPLEMENTARY CARD member(s) are allowed to utilize at any given time subject, to security features and credit limit management features that the HSBC may impose for YOUR benefit. HSBC reserves the right to decline or approve any transaction and/or suspend the credit card privileges of both YOU and your Supplementary Card(s) (without HSBC being necessarily obligated to do so) without prior notice if the CREDIT LIMIT will be or has been exceeded. HSBC may demand immediate payment of the amount in excess of the CREDIT LIMIT or of all amounts outstanding. YOU agree to track YOUR balance and are solely responsible for ensuring that it does not exceed the approved CREDIT LIMIT. In case YOU exceed YOUR approved CREDIT LIMIT on billing date, YOU shall pay HSBC an overlimit fee of Five Hundred Philippine Pesos (PHP500.00) for such billing period, or such other amount as may be set by HSBC from time to time.

HSBC may limit cash advances on the CARD to an amount determined at HSBC's sole discretion, without notice to YOU. YOU shall pay HSBC a cash advance service fee of 3% of the amount drawn or Five Hundred Philippine Pesos (PHP500.00), whichever is higher, or such other amount as may be set by HSBC from time to time. In addition to the cash advance service fee, YOUR cash advance

transactions shall also incur interest charges at the prevailing monthly interest rate applied to the cash advance amount from the transaction date until the amount is fully paid. YOU shall also pay HSBC all other fees incurred, including but not limited to the annual mileage program fee and transaction retrieval fee, at the rates set by HSBC and as may be amended from time to time.

In case YOU are issued two or more CARDS, YOU understand and agree to abide by the condition that HSBC may give YOU, at its sole discretion, a separate credit limit for each CARD issued to YOU, or a consolidated credit limit for all CARDS, expressed in Philippine currency (Philippine Pesos), subject to security features and credit limit management features that the HSBC may impose for YOUR benefit. In case of default or non-payment of YOUR obligation on one or more CARDS, HSBC may, at its sole discretion, demand immediate payment in full of all outstanding balances on all CARDS issued to you, and, in addition, revoke YOUR right to use all or any of said CARDS.

HSBC shall assign YOUR CREDIT LIMIT and review it from time to time. We may assign a different CREDIT LIMIT on YOUR CARD at any time, as we consider appropriate based on periodic assessment of YOUR credit risks associated with YOUR Card Account (including any spending and repayment pattern). YOU may apply for a review of YOUR CREDIT LIMIT at any time.

HSBC may reject Card Transactions in excess of the assigned CREDIT LIMIT but may also, at our discretion without notice to YOU, allow a Card Transaction even if YOUR assigned CREDIT LIMIT is exceeded. YOU will be liable for the Card Transactions in excess of the assigned CREDIT LIMIT subject to the provisions of this Agreement. However, we will not exercise the above discretion if we have received and processed YOUR request to opt out from our over-the-limit facilities.

12. MONTHLY STATEMENT AND PAYMENT OF CHARGES

A Statement of Account ("SOA") showing the transactions and balances in relation to the CARD will be furnished to YOU on a monthly basis. As a rule, only an electronic copy of the SOA shall be furnished to YOU (1) through the e-mail address YOU provided to HSBC in relation to the CARD and/or (2) through YOUR HSBC online banking service. A printed/paper copy of the SOA shall be furnished to the YOUR billing address only when YOU (1) did not provide any e-mail address and (2) did not set SOA delivery preference to electronic SOA within online banking, or (3) opted-out to receive an electronic copy of the SOA and reverted to receiving printed/paper copy of the SOA. YOU may revert to receiving printed/paper copy of the SOA at any time (a) by setting SOA delivery preference to printed/paper SOA within online banking, (b) by sending a written request to HSBC, or (c) by calling HSBC's 24-hour Customer Services hotline (02) 8858-0000. In any event, HSBC, at its sole discretion, may send a printed/paper copy of the SOA to YOUR billing address whenever it deems necessary.

YOU agree to examine and verify each entry appearing on a Statement of Account, reconcile it with YOUR own records and immediately notify HSBC in writing of any errors, omissions, irregularities, including any fraudulent or unauthorized transactions or any other objections YOU have to that SOA (collectively described as "Account Irregularities"). If YOU fail to notify HSBC of such Account Irregularities within thirty (30) days from the date of the SOA, the balance shown on the SOA and all entries, including Account Irregularities, will be deemed correct, complete, authorized and binding upon YOU and HSBC will be released from all liability for any transaction occurring up to the date of the most recent SOA except for transactions YOU gave notice of in accordance herewith.

YOU agree to pay late payment or other charges for any unpaid amount due as indicated in the HSBC Credit Card Fees and Charges table published at HSBC's public website, plus any applicable taxes and charges required by the government thereon. If the Payment Due Date falls on a Saturday, Sunday or a regular national holiday, the payment Due Date shall be moved to the next business day and payment thereon shall not be treated as late payment. However, notwithstanding the absence or lack of proof of delivery of the SOA to YOUR mailing address, YOU are obligated to inquire with HSBC the amount, YOU are obligated to pay on or before the Payment Due Date. Payment through any authorized mode, made to any accredited payment centers of the credit card issuer shall be considered as payment to the credit card issuer made on the same date.

The fixed monthly installment amount for purchases using the installment facility of the CARD shall be posted to YOUR monthly SOA as a regular transaction forming part of the total outstanding balance over the term or repayment period YOU have chosen. In case of pre-termination/cancellation of an existing installment transaction, YOU agree to be charged a processing fee of Five Hundred Philippine Pesos (PHP500.00) or any other amount, as may be set by HSBC from time to time.

All other terms and conditions stated in the monthly SOA shall form an integral part of these terms & conditions.

13. CARD PAYMENT, DELINQUENCY, AND DEFAULT

YOU shall be liable to pay the Closing Balance amount shown on the monthly SOA sent to YOU. YOU shall have the option to pay on or before the Payment Due Date stated in the SOA: (i) the Total Due; (ii) the Minimum Payment; or (iii) any amount in between the Total Due and the Minimum Payment. In any event, YOU must pay at least the Minimum Payment due, which HSBC must receive as cleared and available funds, on or before the Payment Due Date. All payments made by YOU shall be in the billing currency of the CARD. If payment is made in any other currency, YOU shall pay HSBC all exchange commissions and other charges or losses incurred by HSBC in converting such payment to the billing currency. Such conversion shall be effected at such exchange rate as may be solely and conclusively determined by HSBC at the date of entry into the card account. YOU are allowed a maximum of 12 payments per day per card account. Any online payments made in excess of the maximum number of payments per day shall be automatically rejected by the system. Any over-the-counter payments in excess of the maximum number of payments per day shall be credited to the card account on the next banking day.

YOUR payments shall be applied to the account in the order of Installment, Cash Advance and Other Retail Transactions:

- Billed Finance Charge
- Billed Cash Advance Fee
- Billed Late Fee
- Billed Membership Fee
- Billed Overlimit Fee
- Billed Handling Fee
- Billed Non-Sufficient Fund Fee (ie. Returned Cheque Fee)
- Billed Card Insurance Premium
- Billed Principal

Should there be any excess payment after all billed balances have been settled, the excess payment will be applied to your unbilled balances as they are posted on your account, following the same order.

HSBC reserves the right to adjust, at its sole discretion, the payment application sequence for the CARD on either normal or not normal status. The unpaid balance of the Minimum Payment will be considered delinquent if unpaid after the Payment Due Date. YOU shall then be liable to pay late payment, finance, and other applicable charges, plus any applicable taxes required by the government thereon. Once YOU exceed YOUR CREDIT LIMIT or fail to pay the Minimum Payment on the Payment Due Date, YOU AND YOUR card account will be considered delinquent. In the event of delinquency or default, YOU authorize HSBC to report and/or include YOUR name in the negative listings of any credit bureau or institution.

YOU shall be considered in default in any one of the following events:

- YOU fail to pay on the Payment Due Date any of YOUR payment obligations on one or more CARDS or other credit facilities.
- YOUR outstanding availments exceed YOUR CREDIT LIMIT.
- Any creditor tries, by legal process, to take YOUR money or any property YOU have with HSBC or its subsidiary or affiliates.
- YOU apply for voluntary or involuntary relief under the Insolvency Law or other bankruptcy laws.
- HSBC believes, on reasonable ground and at its sole discretion, that it was induced by fraudulent misrepresentation to grant the CARD or any other credit facility in YOUR favor.
- YOU fail to observe any of the Terms and Conditions governing the issuance and use of the CARD.
- YOU fail to observe any of the terms and conditions of any contract or evidence of indebtedness and/or other related documents, which YOU executed or otherwise issued by HSBC, in connection with any credit or loan facilities granted by HSBC or its other foreign branches or subsidiaries or affiliates, or another financial institution or other lender in YOUR favor.
- YOU are charged with, convicted of, or under investigation by competent government authority for violation of Republic Act 8484 (Access Devices Regulation Act of 1998), or HSBC has prima facie evidence to charge YOU with a violation of any of the provisions of said law, or YOU have been convicted of a crime involving moral turpitude.
- YOU die or become physically or mentally incapacitated.

14. CALCULATION OF FINANCE AND OTHER CHARGES

If YOU pay the Closing Balance in full on or before the Payment Due Date and have no cash advance transactions, no finance charge shall be imposed. However, if YOU opt to pay the Minimum Amount Due or any amount less than the Total Amount Due, or make a cash advance transaction, YOU shall be deemed as availing against YOUR credit line with HSBC and agree to pay finance and other charges, plus any applicable taxes and charges required by the government on such charges.

The finance charges, at HSBC's prevailing rate, will be imposed using the average daily balance method upon your unpaid outstanding balance as of statement cut-off date, excluding new retail

transactions made in the current billing cycle, accrued from the statement cut-off date until the outstanding balance and applicable interest are fully paid.

For fees¹, charges and pre-terminated instalments, finance charges will be imposed using the average daily balance method upon the fee/charge/pre-terminated instalment amount accrued from transaction date until the fee/charge/pre-terminated instalment is fully paid.

For cash advance transactions, finance charges, at HSBC's prevailing rate, will be imposed using the average daily balance upon your transaction from the transaction date until the transaction is fully paid.

Any amount unpaid as of the Payment Due Date shall be deemed payable on the next Payment Due Date unless YOU opt to re-avail of YOUR credit line for the next billing cycle by paying an amount less than the Total Due but not less than the Minimum Amount Due.

The Minimum Amount Due shall consist of the following:

- Four percent (4%) of YOUR current billed balances (including cash advances and cash advance fees and charges, retail purchases, non-installment related fees and charges), or Five Hundred Philippine Pesos (PHP500.00), whichever is higher
- 100% of the fixed monthly amortization of installment transactions and installment related fees and charges
- Past Due installment amortization amount plus the corresponding full amount of finance charge incurred, if any
- Any other Past Due or overlimit amount, whichever is higher

The fees, finance charges, rate of interest and/or penalty rate stipulated may be increased, decreased or otherwise changed from time to time. The Cardholder authorizes HSBC to increase or charge additional service fees as may be deemed necessary to maintain the service to the Cardholder. The upward or downward adjustment of the interest, penalty rate and/or service fees shall be binding on the Cardholder on the date/s of effectivity as indicated in the written notice (in the monthly SOA or thru a separate notice) from HSBC.

15. RESTRAINT, SUSPENSION, CANCELLATION AND WITHDRAWAL OR TERMINATION

HSBC may, at its exclusive option and without giving any reason and/or prior notice to YOU, restrain, suspend, cancel and withdraw or terminate the CARD issued and/or its privileges at any time for whatever reason including but not limited to YOUR default, non-payment, financial incapacity, change in personal and/or economic circumstance, change in residency status or country or territory of stay, failure to provide additional documents requested by HSBC, misrepresentation, fraud and if HSBC believes that the card is being used for corporate business transactions. In such cases, any outstanding credit avilment as of the time of the restraint/suspension/termination shall be considered due and demandable without need of notice to YOU. HSBC, at its sole discretion, may initiate collection from YOU of the Closing Balance and all unposted availments in full, and/or refer collection to a third party. If collection of any unpaid or past due amount is referred to a collection agency and/or enforced through court action, YOU agree to pay the actual amount of attorney's fees, expenses of collection and costs of suit, in addition to whatever damages that may be suffered or

¹ Excluding service fee for foreign currency transactions for Visa credit cards.

incurred by HSBC. YOU agree to hold HSBC free and harmless from any claim for damages arising from such restraint, termination, withholding or suspension. Continued use of the CARD after termination or cancellation or non-issuance of replacement CARD by HSBC is deemed fraudulent. HSBC reserves the right, at its sole and absolute discretion, to restore the CARD and/or its privileges, whether or not the circumstances giving rise to the restraint, suspension, cancellation, withdrawal or termination have ceased or have been rectified.

The CARD shall be terminated by HSBC without prior notice upon YOUR death, bankruptcy, or insolvency or when YOUR whereabouts become unknown to HSBC. Upon the termination of YOUR Card, the entire outstanding balance on YOUR Card Account together with the amount of any Card Transactions effected but not yet charged to YOUR Card Account will become immediately due and payable to us in full. YOU and/or YOUR estate are required to pay all outstanding amounts to HSBC notwithstanding the termination of YOUR Card or YOUR bankruptcy or death, including any regular payments under arrangements, which were set up or authorized by YOU before the termination of YOUR Card or YOUR bankruptcy or death (notwithstanding that such payments are debited to YOUR Card Account afterwards). HSBC is entitled to continue to charge finance charges on any outstanding amount (including any costs and expenses incurred by the BANK) until HSBC receives payment in full. YOU and/or YOUR estate shall keep us indemnified for all costs and expenses, including legal fees and charges, incurred in recovering and paying off such outstanding balances and obligations. In the event that any of YOUR funds are held by HSBC, the BANK reserves the right to retain such funds for the period of at least 45 days following the CARD being cancelled or terminated and returned to HSBC and the Card Account closed. If there are unpaid obligations under the CARD, YOU authorize HSBC to automatically apply said funds to the settlement of the unpaid obligations. HSBC is not precluded from availing of other remedies in case the funds are insufficient to settle the said obligation. YOU are liable for any Card Transactions purchased using YOUR Card until YOUR Card has been returned to us. YOU are liable for any Card Transactions effected by YOUR Supplementary Card (including purchases or transactions through auto payment arrangement or other means of payment) until the Supplementary Card has been returned to the BANK or until HSBC is able to implement the procedures, which apply to lost cards if YOU so request.

YOU may, at any time, terminate the Agreement by a written notice to HSBC subject to the immediate payment or settlement of any and all obligations incurred in connection with the issuance of the CARD(S). YOUR notice of termination will terminate YOUR Card and all Supplementary Cards at the same time and all those CARDS should be returned to us with the termination notice. YOU or YOUR Supplementary Cardholder may terminate/cancel a Supplementary Card by giving us written notice accompanied by the return of that Supplementary Card. YOU must return to HSBC the CARDS cut in half with the magnetic stripe destroyed in the process. Should YOU choose to revolve, annual fee charges shall still apply and will be pro-rated until such time that the outstanding balance is paid in full. The CARD account(s) shall be closed only after the receipt by HSBC of full payment or settlement of all obligations under the CARD(S).

Termination of YOUR Card and/or YOUR Supplementary Card does not automatically terminate or transfer any auto payment arrangement, direct debit arrangement, regular payment arrangement, instalment plan or other standing arrangement that YOU set up or authorized in relation to YOUR Card before its termination. If YOU wish to terminate or modify any such arrangement, YOU should make necessary arrangements with the responsible merchant or party.

16. AUTO-DEBIT ARRANGEMENT

YOU may opt to authorize in writing HSBC to charge the amount due on YOUR Card Account against YOUR deposit account or any funds with HSBC by means of an automatic debit system.

17. BONUS POINTS

All eligible CARDS earn Bonus Points for all transactions, excluding cash advances, charges and fees, made on the CARD. Cardholders of HSBC Premier MasterCard, HSBC Platinum Visa, HSBC Gold MasterCard, HSBC Red MasterCard earn one (1) Bonus Point for every qualified Twenty Philippines Pesos (PHP20.00) spent using these CARDS. Cardholders of HSBC Advance Visa earn one (1) Bonus Point for every Fifteen Philippine Pesos (PHP15.00) spent using these CARDS. Cardholders of HSBC Classic Visa, HSBC Classic MasterCard, earn one (1) Bonus Point for every Ten Philippine Pesos (PHP10.00) spent using these CARDS. Bonus Points generated by card spending of Supplementary Cardholders shall automatically accrue to the Primary Cardholder's account. Only those CARDHOLDERS whose card accounts are valid (i.e. CARD must not be delinquent, suspended, or cancelled) and in good standing will be eligible to redeem their Bonus Points. The redemption of Bonus Points is subject to specific terms and conditions for each type of CARD. HSBC reserves the right to restrict or limit the number of Bonus Points earned on each transaction in connection with special programs, facilities and promotional activities.

Supplementary Cardholders can neither redeem Bonus Points for Rewards Items nor convert them to air miles unless authorized in writing by the Primary Cardholder.

For Cardholders of HSBC Classic Visa and HSBC Classic Mastercard, Bonus Points are valid up to two (2) years from Cardholder's Account Open Date. For HSBC Premier Mastercard, HSBC Platinum Visa, HSBC Gold Mastercard, HSBC Red Mastercard and HSBC Advance Visa Cardholders, Bonus Points earned will be valid up to three (3) years from Cardholder's Account Open Date.

18. CARD BENEFITS

Card benefits are offered by HSBC from time to time and may include but are not limited to rewards, cash back, HSBC's Card Installment Plans, ATM facility, Online Banking service, Phone Banking service

- (a) HSBC may offer different benefits for different types of CARDS. HSBC may introduce new benefits or vary or withdraw any benefit without prior notice. HSBC reserves the right to prescribe or exclude or withdraw any account, which may be linked or used in connection with any Card benefit.
- (b) Card benefits may include any or all of the following:
 - i. rewards and privileges (including the Accelerated Rewards Program);
 - ii. cash back program;
 - iii. 0% instalment plans for purchasing goods or services from designated merchants;
 - iv. ATM facility that enables YOU to use YOUR to effect banking transactions at designated automated teller machines or point-of-sale terminals or by other designated electronic means;

- v. internet banking service or phone banking service that enables YOU to access or operate online or through telephone their Card Accounts or use other services which may be offered by HSBC;
 - vi. any other benefits that HSBC may notify YOU from time to time.
- (c) Some benefits may only be made available to YOU upon separate application.

Use of phone-banking service

- i. HSBC may decide to vary the scope and features of the phone-banking service, which may be offered to YOU from time to time without prior notice.
- ii. HSBC may not necessarily process Telephone Instructions immediately or on the same day the Telephone Instructions were received by the BANK due to system constraint or other reasons. HSBC is not liable for effecting a Telephone Instruction at a later time and its decision on the timing of effecting a Telephone Instruction will be final and binding.

Additional terms govern Card benefits

- i. Whether YOU are eligible to enjoy or use a Card benefit and the conditions, limits, guidelines or directions applicable to that Card benefit are set out in separate terms and conditions, which HSBC may issue from time to time in addition to the provisions of this Agreement. These include:
 - a. HSBC Rewards and Accelerated Rewards Terms and Conditions;
 - b. HSBC Cash Back Terms and Conditions;
 - c. Terms and Conditions for the credit card Instalment Plan
 - d. Terms and Conditions for HSBC Internet Banking
- ii. The terms and conditions relating to the Card benefits are available at our website (www.hsbc.com.ph).
- iii. The terms and conditions relating to a Card benefit prevail over the provisions of this Agreement if there is any inconsistency between them concerning that Card benefit.

19. LIMITATION OF OUR LIABILITY

In the event of any action which YOU may file against HSBC for any cause whatsoever, YOU agree that HSBC'S liability shall not exceed the amount of Forty Thousand Philippine Pesos (PHP40,000.00) or the damages actually proven to have been suffered by YOU, whichever is lesser.

- (a) HSBC is not liable for any delay, failure or computer processing error in providing any of our equipment or other facilities or services to YOU to the extent that it is caused or attributable to any circumstance beyond our reasonable control (including any equipment malfunction or failure).
- (b) Where the BANK makes available any equipment, facilities or services to YOU through a third party, which is not acting as our agent, we are not liable for any act or omission of that third party as long as we have exercised reasonable care and skill in dealing with that third party.
- (c) In no circumstances will HSBC be responsible to YOU or any third party for any indirect or consequential loss arising from or in connection with our providing, or failure or delay in providing, services under this Agreement.

20. INDEMNITY

- (a) YOU will indemnify and reimburse HSBC for all actions, proceedings and claims which may be brought by or against the BANK, and all losses, damages and reasonable amounts of costs and expenses which HSBC may incur or suffer as a result of or in connection with its providing services to YOU under this Agreement, unless due to our gross negligence or wilful default and

only to the extent of direct and reasonably foreseeable loss and damage (if any) arising directly and solely from it.

- (b) If YOU fail to pay any amount to HSBC when due or if YOU breach any terms or conditions of this Agreement, HSBC may enforce its rights or remedies to collect or recover any outstanding amount and are entitled to employ agents or service providers for those purposes. If collection is to be endorsed to a collection agency, YOU shall be notified thereof at least seven (7) days prior to actual endorsement. YOU are required to indemnify and reimburse the BANK for all reasonable amounts of costs (including legal fees) and expenses reasonably incurred by the BANK in collecting or recovering any outstanding amount. HSBC is entitled to continue to charge finance charges on any outstanding amount (including any costs and expenses incurred by the BANK) until payment is received in full.

21. OFFSETTING

YOU authorize HSBC to automatically set-off any amounts due and payable under the CARD that are not paid in accordance with these Terms and Conditions, or that are demandable in the event of default, against YOUR deposits or investments with HSBC or with other members of the HSBC Group, whether singly or jointly held, pursuant to Articles 1278 to 1290 of the New Civil Code of the Philippines, as amended.

In addition to any general right of set-off or other rights conferred on the BANK by law or under any other agreement, HSBC is entitled, without prior notice to YOU, to combine or consolidate the outstanding balance on YOUR Card Account (includes the outstanding balance on the Card Account of any Supplementary Cardholder) with any other account which YOU maintain with HSBC, and set off or transfer any money standing to the credit of such other account in or towards settlement of YOUR liability to the BANK under this Agreement.

22. ASSIGNMENT

As an inducement to HSBC'S grant to YOU of the use of the CARD, YOU hereby agree to assign to HSBC, effective upon YOUR failure to pay on the Payment Due Date YOUR obligation arising from YOUR use of the CARD(S), any or all monies, securities, bonds, and things of value, which are now or may hereafter be in the hands of HSBC, and any member of HSBC GROUP, on deposit or otherwise to the credit of, or belonging to YOU, and HSBC is hereby authorized to sell at public or private sale such securities or things of value and to apply the proceeds of such sale to such obligation. In the absence of securities or things of value or if YOUR outstanding balance exceeds the proceeds of sale, YOU hereby agree to assign to HSBC any deposit YOU may have with any bank or financial institution, to the extent of YOUR obligation to HSBC, and for this purpose, YOU hereby consent to any inquiry by or disclosure to HSBC, its duly authorized representative or legal counsel as to any deposit YOU may have with any bank or financial institution.

23. ASSIGNMENT BY HSBC

HSBC shall, with prior notice to YOU, have the right to assign YOUR obligations under the CARD, as well as any and all security YOU provided for the CARD, to any third party or to a General Restructuring Facility. If YOUR Card Account is past due, HSBC shall have the right to assign YOUR card obligations and security to any third party or to a General Restructuring Facility even without giving prior notice to YOU. In relation hereto, HSBC is authorized to disclose information about YOUR

account and credit standing to potential third party buyers as may be necessary for the proper processing and evaluation of the assignment.

24. AUTHORIZATION AND INDEMNITY FOR TELEPHONE, TELEX AND FACSIMILE INSTRUCTIONS

YOU acknowledge that the sending of information or instructions through telephone, mobile phone text messages, telex, facsimile, e-mail or other electronic means is not fully secure and may be intercepted by third parties. YOU authorize HSBC to rely upon and act in accordance with any notice, information, instruction or other communication, which may from time to time be, or purport to be, given by YOU or in YOUR behalf via telephone, mobile phone text messages, telex, facsimile, e-mail, or other electronic means (the "Instructions"), which HSBC believes, in good faith, to have been made by YOU or upon YOUR instructions or for YOUR benefit. HSBC shall not be liable for any loss or damage that YOU may suffer as a result of HSBC's reliance, action, or refusal to act upon the Instructions.

HSBC shall be entitled to treat the Instructions as fully authorized by and binding upon YOU, and the BANK shall be entitled to take such steps in connection with or on reliance upon the Instructions as HSBC may consider appropriate, whether the Instructions include instructions to pay money or otherwise to debit or credit any account, or relate to the disposition of any money, securities or documents, or sending of information through mobile phone text messages, telex, facsimile, e-mail, or other electronic means.

In order for HSBC to render prompt and accurate service, YOU authorize HSBC to record (without HSBC being necessarily obligated to do so) any and all telephone conversations with YOU, whether initiated by HSBC or by YOU, including without limitation, YOUR instructions, statements, complaints, inquiries and HSBC's advice and reminders in relation to YOUR Card Account with HSBC. HSBC may use these recordings for any purpose in any proceeding. YOU further agree to waive any right under The Anti-Wire Tapping Act (Republic Act No. 4200) or any amendments thereto, or any similar law or regulation.

In consideration of HSBC acting on the Instructions, YOU hereby irrevocably undertake to indemnify HSBC and to keep HSBC indemnified against all losses, claims, actions, proceedings, demands, damages, costs and expenses that may be incurred or sustained by HSBC of whatever nature and howsoever arising out of or in connection with the Instructions. This authorization and indemnity shall remain in full force and effect until HSBC receives from YOU a written notice terminating the same save that such termination will not release YOU from any liability under this authorization and indemnity in respect of any act performed in accordance with its terms prior to such termination.

25. COLLECTION AND USE OF CARDHOLDER/CUSTOMER INFORMATION

The following terms used in this Clause 25 shall mean:

"Authorities" includes any judicial, administrative, public or regulatory body, any government, any Tax Authority, securities or futures exchange, court, central bank or law enforcement body, or any of their agents with jurisdiction over any part of HSBC Group.

"Compliance Obligations" means obligations of HSBC Group to comply with: (a) Laws or international guidance and internal policies or procedures, (b) any demand from Authorities or reporting, disclosure or other obligations under Laws, and (c) Laws requiring us to verify the identity of our customers.

"Connected Person" means a person or entity (other than YOU) whose information (including Personal Data or Tax Information) YOU provide, or which is provided on YOUR behalf, to any member of HSBC Group or which is otherwise received by any member of HSBC Group in connection with the provision of the Services. A **Connected Person** may include, but is not limited to, any guarantor, a director or officer of a company, partners or members of a partnership, any "substantial owner", "controlling person", or beneficial owner, trustee, settlor or protector of a trust, account holder of a designated account, payee of a designated payment, YOUR representative, agent or nominee, or any other persons or entities with whom YOU have a relationship that is relevant to YOUR relationship with HSBC Group.

"Controlling Persons" means individuals who exercise control over an entity. For a trust, these are the settlor, the trustees, the protector, the beneficiaries or class of beneficiaries, and anybody else who exercises ultimate effective control over the trust, and for entities other than a trust, these are persons in equivalent or similar positions of control.

"Customer Information" means YOUR Personal Data, confidential information, account information and/or Tax Information, or that of a Connected Person, including relevant information about YOU, or that of a Connected Person, YOUR transactions, YOUR use of our products and services, and YOUR relationships with HSBC Group.

"Financial Crime" means money laundering, terrorist financing, bribery, corruption, tax evasion, fraud, evasion of economic or trade sanctions, and/or any acts or attempts to circumvent or violate any Laws relating to these matters.

"HSBC Group" means The Hongkong and Shanghai Banking Corporation Limited, its affiliates, subsidiaries, associated entities and any of their branches and offices (together or individually), and **"member of HSBC Group"** has the same meaning.

"Laws" include any local or foreign law, regulation, judgment or court order, voluntary code, sanctions regime, agreement between any member of HSBC Group and an Authority, or agreement or treaty between Authorities and applicable to HSBC or a member of HSBC Group.

"Personal Data" means any information, whether recorded in a material form or not, (a) from which the identify of an individual is apparent or can be reasonably and directly ascertained by the entity holding the information, or when put together with other information would directly and certainly identify an individual, (b) about an individual's race, ethnic origin, marital status, age, color, gender, health, education and religious affiliations, (c) referring to any proceeding for any offense committed or alleged to have been committed by such individual, the disposal of such proceedings, or the sentence of any court in such proceedings, and (d) issued by government agencies peculiar to an individual which includes, but not limited to, social security numbers and licenses.

"Services" includes (a) the opening, maintaining and closing of YOUR bank accounts, (b) providing YOU with credit facilities and other banking products and services, processing applications, credit and eligibility assessment, and (c) maintaining our overall relationship with YOU, including marketing services or products to YOU, market research, insurance, audit and administrative purposes.

"Substantial Owners" means any individuals entitled to more than 10% of the profits of or with an interest of more than 10% in an entity either directly or indirectly.

"Tax Authorities" means Philippine or foreign tax, revenue or monetary authorities (for example, Her Majesty's Revenue and Customs).

"Tax Certification Forms" means any forms or other documentation as may be issued or required by a Tax Authority or by us from time to time to confirm YOUR tax status [or the tax status of a Connected Person].

"Tax Information" means documentation or information about YOUR tax status and the tax status of any owner, "controlling person", "substantial owner" or beneficial owner.

"We", "Our" and "Us" refer to **The Hongkong and Shanghai Banking Limited** and/or **any member of HSBC Group**. Reference to the singular includes the plural (and vice versa).

25.1 COLLECTION, PROCESSING AND SHARING OF CARDHOLDER/CUSTOMER INFORMATION

These clauses explain how we will use YOUR information and that of Connected Persons. By using the Services, YOU agree that we and members of HSBC Group shall use Customer Information in accordance with such clauses.

Customer Information will not be disclosed to anyone (including other members of HSBC Group), other than where:

- We are legally required to disclose;
- We have a public duty to disclose;
- Our or a third party's legitimate business purposes require disclosure;
- the disclosure is made with YOUR consent; or
- it is disclosed as set out in this clause.

COLLECTION

We and other members of HSBC Group may collect, use and share **Customer Information**. **Customer Information** may be requested by us or on our behalf or that of HSBC Group, and may be collected from YOU directly, from a person acting on YOUR behalf, from other sources (including from publically available information), and it may be generated or combined with other information available to us or any member of HSBC Group.

PROCESSING

Customer Information will be processed, transferred and disclosed by us and/or members of HSBC Group in connection with the following **Purposes**:

- (a) the provision of Services and to approve, manage, administer or effect any transactions that YOU request or authorise,
- (b) meeting Compliance Obligations,
- (c) conducting Financial Crime Risk Management Activity,
- (d) collecting any amounts due and outstanding from YOU,
- (e) conducting credit checks and obtaining or providing credit references,
- (f) enforcing or defending our rights, or those of a member of HSBC Group,
- (g) for our internal operational requirements or those of HSBC Group (including credit and risk management, system or product development and planning, insurance, audit and administrative purposes),
- (h) maintaining our overall relationship with YOU including marketing or promoting financial services or related products and market research (the "Purposes").

SHARING

By using the Services, YOU agree that we may, as necessary and appropriate for the Purposes, transfer and disclose any Customer Information to the following recipients globally (who may also process, transfer and disclose such Customer Information for the Purposes):

- (a) any member of HSBC Group;
- (b) any sub-contractors, agents, service providers, or associates of HSBC Group (including their employees, directors and officers);
- (c) any Authorities, in response to their requests;
- (d) persons acting on YOUR behalf, payment recipients, beneficiaries, account nominees, intermediary, correspondent and agent banks, clearing houses, clearing or settlement systems, market counterparties, upstream withholding agents, swap or trade repositories, stock exchanges, companies in which YOU have an interest in securities (where such securities are held by us for YOU);
- (e) any party to a transaction acquiring interest in, or assuming risk in, or in connection with, the Services;
- (f) other financial institutions, credit reference agencies or credit bureaus and their subscribers/members, for the purposes of obtaining or providing credit references;
- (g) any third party fund manager who provides asset management services to YOU;
- (h) any introducing broker to whom we provide introductions or referrals;
- (i) any party in connection with any HSBC business transfer, disposal, merger or acquisition, wherever located, including in jurisdictions which do not have data protection laws that provide the same level of protection as the jurisdiction in which the Services are supplied.

CARDHOLDER/CUSTOMER OBLIGATIONS

YOU agree to inform us promptly, and in any event, within 30 days, in writing if there are any changes to Customer Information supplied to us or a member of HSBC Group from time to time, and to respond promptly to any request from us or a member of HSBC Group.

YOU must ensure that every Connected Person whose information (including Personal Data or Tax Information) YOU (or anyone else on YOUR behalf) provided, or will from time to time provide, to us or a member of HSBC Group has been notified of and agreed to the processing, disclosure and transfer of their information as set out in these Terms before their information is provided. YOU must at the same time advise them that they have rights of access to, and correction of, their Personal Data.

Where:

- YOU fail to provide promptly Customer Information that we reasonably requested, or
- YOU withhold or withdraw any consents that we may need to process, transfer or disclose Customer Information for the Purposes (except for purposes connected with marketing or promoting products and services to YOU), or
- we have, or a member of HSBC Group has, suspicions regarding Financial Crime or an associated risk,

We may:

- (a) be unable to provide new, or continue to provide all or part of the, Services to YOU and reserve the right to terminate our relationship with YOU;
- (b) take actions necessary for us or a member of HSBC Group to meet the Compliance Obligations; and/or
- (c) block, transfer or close YOUR account(s) where permitted under local Laws.
- (d) In addition, if YOU fail to supply promptly YOUR, or a Connected Person's, Tax Information and accompanying statements, waivers and consents, as may be requested, then we may make our own judgment with respect to YOUR status, including whether YOU are reportable to a Tax Authority, and may require us or other persons to withhold amounts as may be legally required by any Tax Authority and paying such amounts to the appropriate Tax Authority.

YOU agree that We shall not be liable for any loss or damage arising from or incidental to our use, collection, processing and sharing of Customer Information, and any action we have taken in relation to this Clause 25.

25.2 DATA PROTECTION

Whether it is processed in a home jurisdiction or overseas, in accordance with data protection legislation, Customer Information will be protected by a strict code of secrecy and security which all members of HSBC Group, their staff and third parties are subject to.

25.3 FINANCIAL CRIME RISK MANAGEMENT ACTIVITY

We, and members of HSBC Group, are required, and may take any action to meet Compliance Obligations relating to or in connection with the detection, investigation and prevention of Financial Crime ("Financial Crime Risk Management Activity").

Such action may include, but is not limited to: (a) screening, intercepting and investigating any instruction, communication, drawdown request, application for Services, or any payment sent to or by YOU, or on YOUR behalf, (b) investigating the source of or intended recipient of funds (c) combining Customer Information with other related information in the possession of HSBC Group, and/or (d) making further enquiries as to the status of a person or entity, whether they are subject to a sanctions regime, or confirming YOUR identity and status.

Exceptionally, our Financial Crime Risk Management Activity may lead to us delaying, blocking or refusing the making or clearing of any payment, the processing of YOUR instructions or application for Services or the provision of all or part of the Services. To the extent permissible by law, neither we nor any other member of HSBC Group shall be liable to YOU or any third party in

respect of any loss (however it arose) that was suffered or incurred by YOU or a third party, caused in whole or in part in connection with the undertaking of Financial Crime Risk Management Activity.

25.4 TAX COMPLIANCE

YOU acknowledge that YOU are solely responsible for understanding and complying with YOUR tax obligations (including but not limited to, tax payment or filing of returns or other required documentation relating to the payment of all relevant taxes) in all jurisdictions in which those obligations arise and relating to the opening and use of account(s) and/or Services provided by us and/or members of HSBC Group. [Each Connected Person acting in their capacity as a Connected Person (and not in their personal capacity) also makes the same acknowledgement in their own regard.] Certain countries may have tax legislation with extra-territorial effect regardless of YOUR [or Connected Person's] place of domicile, residence, citizenship or incorporation. Neither we nor any member of HSBC Group provide tax advice. YOU are advised to seek independent legal and/or tax advice. Neither we nor any member of HSBC Group have responsibility in respect of YOUR tax obligations in any jurisdiction which they may arise including any that may relate specifically to the opening and use of account(s) and/or Services provided by us and/or members of HSBC Group.

25.5 MISCELLANEOUS

In the event of any conflict or inconsistency between any of these Terms under Clause 25 and those in any other service, product, business relationship, account or agreement between YOU and us, these Terms shall prevail. Any consents, authorisations, HSBC requested waivers and permissions that already exist from YOU in relation to Customer Information shall continue to apply in full force and effect, to the extent permissible by applicable local law.

If all or any part of the provisions of these Terms become illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that shall not affect or impair the legality, validity or enforceability of such provision in any other jurisdictions or the remainder of these Terms in that jurisdiction.

25.6 SURVIVAL UPON TERMINATION

These Terms shall continue to apply notwithstanding their termination, any termination by us or a member of HSBC Group of the provision of any Services to YOU or the closure of any account.

26. CORRECTIONS

YOU agree that HSBC reserves the right to investigate and confirm within a reasonable period in accordance with accepted and standard credit card business practice and procedure, as well as with existing laws and regulations any reported error or fraudulent transaction before making any corrections in the statement of account.

27. CHANGE OF STATUS

YOU shall notify HSBC in writing of any change in YOUR civil status.

28. COMPLIANCE

YOU shall comply with all laws and regulations related to the use of the CARD.

29. SEPARABILITY

The enforceability and validity of this Agreement, in whole or in part, shall not be affected by the unenforceability or invalidity, whether temporary or permanent, of any particular provision of this Agreement because of restrictive laws, regulations, or judicial or administrative determinations obtained during any period of this Agreement or for any other cause.

30. NON-WAIVER OF RIGHTS

No failure or delay on the part of HSBC in exercising any right or power hereunder shall operate as a waiver thereof nor shall any partial or single exercise of any such right or power preclude any other right or power thereunder. No waiver by HSBC of any of its rights or powers under this Agreement shall be deemed to have been made unless expressed in writing and signed by its duly authorized representative(s).

31. AMENDMENTS

HSBC may, without prior notice, at any time and for whatever reason it may deem proper, amend, revise or modify the terms and conditions hereof, including YOUR CREDIT LIMIT. YOU shall be deemed to have accepted the change if YOU continue to retain or use the CARD.

32. COMMUNICATION

YOU undertake to promptly notify HSBC/its Card Centre (in such manner as the BANK may prescribe or accept from time to time) of any additional means of communicating to YOU aside from what is disclosed in the credit card application, as well as any change in YOUR address, employment, office or mailing details, including e-mail, telephone number and fax number. In case the mailing address is not accessible through mail or delivery, HSBC has the option to use the other addresses notified to the BANK. Notwithstanding this provision, YOU agree that any communication sent to the designated mailing address shall be considered as received by YOU within ten (10) days after mailing. Further, YOU will be regarded as having received any notice/communication given by HSBC:

- (i) after personal delivery of such notice (if it is personally delivered);
- (ii) after HSBC has posted such notice by post (if it is sent by post);
- (iii) after HSBC has emailed such notice (if it is sent by email);
- (iv) after HSBC has sent an SMS (mobile / smart phone); or
- (v) after HSBC has placed such notice in YOUR Personal Internet Banking Profile (if it is made available there).

Should YOU go out of the Republic of the Philippines for more than a month, YOU undertake to effect timely payment on the CARD. Otherwise, HSBC reserves its right to restrain the CARD. If YOU leave the Republic of the Philippines to take up long term or permanent residence elsewhere, all

CARDS issued should be returned to HSBC fifteen (15) days prior to YOUR departure and the CARDS shall be deemed terminated and subject to the immediate payment in full by YOU to HSBC of all outstanding balances, obligations, and availments, posted or otherwise, under the CARDS.

YOU, pursuant to such undertaking, authorize HSBC, at its discretion but without any obligation to do so, to secure information from third parties, such as but not limited to utility companies, insurers and financial intermediaries, and receive information on how YOU can be contacted. Should YOU be delinquent or be in default, HSBC reserves its right and YOU authorize HSBC, at HSBC's sole discretion but without any obligation to do so, to pursue all means of communicating with YOU, including but not limited to telephone messages, fax messages, mobile phone text messages, and other third party inquiries, to establish contact with YOU.

Unless specifically otherwise instructed by YOU, HSBC may, from time to time, inform YOU of its promotional offers through mail/e-mail/fax/SMS or by telephone. Specially selected products and services of its branches, subsidiaries, affiliates, agents and representatives or third parties selected by any of them and certain companies may also be offered to YOU through mail/e-mail/fax/SMS or by telephone.

33. VENUE

YOU irrevocably agree that any legal action, suit or proceeding arising out of or relating to these Terms and Conditions may be instituted, at the sole option of HSBC, in any competent court in Taguig City or Makati City, Metro Manila, and YOU submit to and accept, with regard to any such action or proceeding for itself and in respect of its properties or assets, generally and unconditionally, the jurisdiction of any such court. The foregoing, however, shall not limit or be construed to limit the rights of HSBC to commence proceedings or to obtain execution of judgment against YOU in any venue or jurisdiction where YOUR assets may be found.

34. BINDING EFFECT

YOUR signature on, activation or use of the CARD shall be deemed as YOUR acceptance of and agreement to be bound by these terms and conditions and such amendments hereof as may be made by HSBC from time to time. These terms and conditions shall bind YOU and YOUR heirs, executors and administrators, and successors and assigns.

35. LIMITATIONS

YOU agree not to use the CARD for the purchase of items/goods the importation into the Philippines of which is subject to the provisions of BSP Circular No. 1389, as amended, and all other circulars, laws, rules and regulations pertaining to importation. Likewise, YOU agree and warrant that the proceeds of any cash advance availments abroad shall not be used for foreign investments or the payment of foreign loans or in violation of any existing foreign exchange rules and regulations.

36. MISCELLANEOUS

Documents relating to YOUR Card Account

- HSBC reserves the right to destroy any documents relating to YOUR Card Account after microfilming them.

Gambling or other illegal transactions

- YOU should not use YOUR Card for payment of any gambling or other transaction, which is illegal under any applicable laws. If the BANK suspects, believes or knows that any Card Transaction is or relates to a gambling or other transaction, which is illegal, HSBC reserve the right to decline processing or paying that Card Transaction or to reverse, cancel or chargeback that Card Transaction.

Your Credit Record

- It is valuable that YOU maintain a good credit record since this information is used by banks, finance companies and credit card companies to determine if they will approve your application for a new card or loan, or when managing existing credit such as increasing your borrowing limit. To have a good credit history, you are advised to make all YOUR card payments on time, avoid defaults on loans, not file for bankruptcy or avoid having any court action taken against YOU for non-payment of debts.

Governing law

- These Terms and Conditions / Agreement are governed by and will be construed according to Philippine laws.

Member: PDIC. Maximum Deposit Insurance for Each Depositor P500,000.

For inquiries or complaints, please call HSBC's Customer Services at (02)8858-0000 from Metro Manila, +1-800-1-888-8555 PLDT domestic toll-free, (02)7976-8000 from overseas, (country code) + 800-100-85-800 international toll-free for selected countries, or send an email to hsbc@hsbc.com.ph. If you want to find out more about HSBC's customer feedback procedures, please visit hsbc.com.ph/feedback.

The Hongkong and Shanghai Banking Corporation Limited is an entity regulated by the Bangko Sentral ng Pilipinas (Bangko Sentral). You may also get in touch with the Bangko Sentral Financial Consumer Protection Department through their email: consumeraffairs@bsp.gov.ph.

HSBC has an Employee Handbook, which mandates all its officers and employees to treat clients with a high degree of professionalism, efficiency, accuracy, care and courtesy. Officers and employees are enjoined to always be conscious of promoting HSBC's good image and protecting its reputation whether they are within or outside Bank premises.

Easy Guide to HSBC Credit Card Fees and Charges

HSBC Credit Card	 Classic Visa/ MasterCard	 Red Mastercard	 Gold Visa/ Mastercard	 Platinum Visa	 Advance Visa	 Premier Mastercard
Fees and charges						
Primary Card Annual Fee ¹	PHP1,200	PHP1,500	PHP2,500	PHP5,000	PHP2,500	Waived
Supplementary Card Annual Fee ¹	PHP600	PHP750	PHP1,250	PHP2,500	PHP1,250	Waived
Retail Monthly Effective Interest Rate	3.50% per month	3.50% per month	3.50% per month	3.50% per month	3.20% per month	3.10% per month
Cash Advance ² Monthly Effective Interest Rate ³ (inclusive of Cash Advance Fee mentioned below)	3.75% per month	3.75% per month	3.75% per month	3.75% per month	3.46% per month	3.36% per month

Fees (All cards)	
Cash advance ² fee	3% of amount drawn or PHP500, whichever is higher.
Minimum amount due	Four percent (4%) of your current billed balances (including cash advances and cash advance fees and charges, retail purchases, non-installment related fees and charges) or PHP500, whichever is higher + 100% of the fixed monthly amortization of installment transactions and installment related fees and charges + Past Due installment amortization amount PLUS the corresponding full amount of finance charge incurred, if any + Any other Past Due or Overlimit amount, whichever is higher
Late payment fee	PHP700 or unpaid minimum amount due, whichever is lower.
Overlimit fee	PHP500 shall be charged if card account is overlimit on cut-off date.
Returned check fee	PHP1,000 will be charged for check payments which are returned due to reasons such as but not limited to insufficient funds, unsecured deposit, or any other reasons resulting to bad faith by cardholder.
Sales slip retrieval fee	PHP275 for each sales slip retrieved upon cardholder's request.
Card Replacement Fee	PHP400 for each replacement of lost, stolen or damaged card.
Service Fee for Foreign Currency Transactions ⁴	2.5% of the converted sum plus reimbursement of the assessment fee charged by Visa/MasterCard to HSBC equivalent to 1% of the converted sum.
HIP Pre-termination Processing Fee	PHP500 for each HSBC Installment Plan transaction pre-terminated.

Important Reminder: Paying less than the total amount due will increase the amount of interest you pay and the time it takes to repay your balance.

¹ First year waived.

² Also refers to quasi-cash transactions and related fees and interest charges.

³ The Effective Interest Rate is computed based on the actual number of days in a particular month/year. The beginning of the interest date is from the date of the transaction. If you pay any amount less than the Total Due/Total Account Balance or make a cash advance transaction, finance charges at prevailing interest rates will be computed from the date of the transaction until the end of the current statement period.

⁴ Details found on HSBC's Terms and Conditions.

Effective 06Jun19, if Closing Balance is not paid in full on or before the Payment due date, finance charge will be assessed on the service fee for foreign currency transactions:

- Starting from the transaction date until the fee is fully paid, for Mastercard transactions.
- Starting from the statement cut-off date until the fee is fully paid, for Visa transactions.

Below is an illustration of how the Effective Interest Rate (EIR) method is used in computing for the interest of loans including out-standing balances in your credit card.

Sample Interest Computation

Retail Purchases					
Monthly effective interest rate:		3.5% based on actual number of days in a month			
Principal amount:		PHP63,877			
Month	Retail Purchase	Total Payment	Interest	Outstanding Principal Balance	Total Outstanding Balance
1	63,877	0	2,279	63,877	66,155
2	-	4,500	1,986	61,655	63,642
3	-	2,800	2,170	60,842	63,012
4	-	7,600	1,913	55,412	57,325
5	-	2,500	1,956	54,825	56,781
6	-	3,700	1,832	53,081	54,913






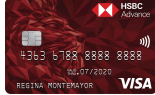

Cash Advance Transaction					
Monthly effective interest rate:		3.75% based on actual number of days in a month			
Principal amount:		PHP20,000			
Month	Cash Advance Availment	Total Payment	Interest	Outstanding Principal Balance (inclusive of Cash Advance Fee)	Total Outstanding Balance
1	20,000	0	735	20,600	21,335
2	-	853	678	20,481	21,160
3	-	2,500	666	18,660	19,326
4	-	773	640	18,552	19,193
5	-	768	657	18,425	19,082
6	-	763	632	18,319	18,952

HSBC Effective Interest Rates*

HSBC's Card Balance Transfer Program, HSBC's Cash Installment Plan, and HSBC's Card Balance Conversion Plan	
Tenor	Effective Interest Rate Monthly
12 months	3.4588%
24 months	3.3917%
36 months	3.2715%

* HSBC may occasionally offer special rates applicable to your credit card account.

HSBC Credit Card Features

Credit Card	 Classic Visa/ MasterCard	 Gold Mastercard	 Red Mastercard	 Gold Visa Cash Back	 Platinum Visa	 Advance Visa	 Premier Mastercard
Rewards ¹	1 bonus point (BP) = Php10 spend	1 bonus point (BP) = Php20 spend	1 bonus point (BP) = Php20 spend	N/A	1 bonus point (BP) = Php20 spend	1 bonus point (BP) = Php15 spend	1 bonus point (BP) = Php20 spend
Accelerated Rewards ²	N/A	3x BPs on local shopping and dining transactions	4x BPs on shopping, dining, online and overseas transactions	N/A	4x BPs on overseas spend 3x BPs on local shopping and dining transactions	4x BPs on online spend	4x BPs on overseas spend 3x BPs on local shopping and dining transactions
Cash Back	N/A	N/A	N/A	5% cash back on dining transactions and 0.5% on other transactions ³	N/A	N/A	N/A
Travel Accident Insurance and Inconvenience Coverage	N/A	N/A	N/A	N/A	Up to Php10mn coverage	N/A	Up to Php10mn coverage
Caltex Rebate	6% Rebate on your first fuel transaction and 3% rebate for succeeding transactions at Caltex ⁴						
Balance Transfer	Transfer balances from your non-HSBC Credit Card to your HSBC Credit Card and get big savings.						
Card Instalment Plan	Enjoy 0% interest on installment up to 36 months at participating partner merchants.						
Cash Instalment Plan	Get cash from your credit card and pay it off on installment at low interest rates						
Card Balance Conversion Plan	Use your card for straight purchases and then convert them into affordable monthly installment after.						
Autocharge	HSBC Autocharge is a facility that automatically charges bills to your HSBC Credit Card so you never forget to pay your bills.						
eStatement	Get your HSBC Credit Card statements delivered to your email.						
Cash Advance	You can use your credit card just like an ATM Card to withdraw money here or abroad.						

¹ HSBC's Rewards Program Terms and Conditions Apply.

² HSBC's Accelerated Rewards Program Terms and Conditions apply.

³ Subject to a cash back cap of Php1,200 per calendar month. HSBC's Cash back Terms and Conditions apply.

⁴ Terms and Conditions apply. 10% rebate on the first transaction made at a participating Caltex station by December 31, 2018 applies to newly-approved credit cardholders. For the first transaction made at a participating Caltex station starting January 1, 2019, 6% rebate will be credited to the account. Rebate is given to purchases up to a maximum of Php20,000 per calendar month.