

## General Investment Services Terms & Conditions

The following terms and conditions shall apply to investments you will be placing through The HSBC Investment and Insurance Brokerage, Philippines Inc. ("HIIB"):

I. Our advisory services

We will provide you with advice about suitable products based on your personal circumstances as you have provided such as your:

- Financial situation and needs,
- Knowledge and experience of investments,
- Investment objectives,
- Attitude towards and tolerance of investment risk, and
- Preferred time horizon for investing.

If you are uncertain or do not understand the risks involved in the investment, we recommend that you seek independent advice from a professional financial adviser. The decision to invest in a product is yours but we're here to help by giving you recommendations and information on products you may be interested in. Our advice is only valid at the time it is given.

Our advisory services exclude:

- Ensuring previous advice remains suitable.
- Monitoring investment performance (our advice on a transaction is not ongoing).
- Updates about suitable future investment opportunities.

Our advisory services become non-advisory when you receive advice from us but purchase or sell the product through a third party, or when you receive advice but don't follow it.

Where your Relationship Manager is not accredited to provide suggestions on a specific product or service, he or she will refer you to a colleague more suitably qualified.

II. Our non-advisory services

Our non-advisory service provides you with information or tools to assist you with your investment decisions using your own skill and judgment. It excludes any advice about whether products are suitable for you. We carry out transactions in accordance with your instructions.

We may check your knowledge and experience of investments and your attitude towards investment risk prior to purchase but we won't advise whether a product is suitable for you.

We may provide you with a list of products that meet criteria outlined by you, but this doesn't fall within our advisory service and doesn't mean that we're advising a particular product is suitable for you. This is general information made available for you to make your own choice.

You may ask us questions about a product, and we will try to answer them, but our answers will not be advice. If you would like to know which products we think are suitable for you, then please use our advisory services.

III. For your joint accounts

For investment bookings under your joint accounts, we will follow the signing instruction you have instructed us when you started your brokerage relationship with us.

If you've all told us that any accountholder can give us instructions on behalf of all accountholders, then we'll carry out any instruction from one of you without checking with any of the others first. We will only check if an instruction is within the risk appetite, knowledge and experience of the transacting accountholder/s.

IV. Appointing us as your broker

By choosing to place your investment through us, you agree to appoint HIIB as your authorised and/or accredited broker to buy or sell securities and funds on your behalf.

V. Opening a broker customer account for settlement

When you invest in an investment product through us, you'll also need a broker customer account for settlement.

VI. Payments and charges

Our Investment Tariff which is available in our public website sets out the charges and fees that will be applicable to your investment. We'll tell you if there are any other charges (e.g. product specific) before you incur them.

If you don't have enough money in your nominated bank account to complete a transaction, we may not act on your instructions.

We may receive commission or other benefits. We'll keep these payments or benefits. People who may pay us include the product providers, underwriters or other persons (including another member of the HSBC group).

VII. Investing in a product

Investments carry risks. The level and type of risk will depend on the type of product. Before you invest in any product, we'll provide product specific documents which explain these risks. If you're unsure about investment risks and types, then please get in touch with us.

If your investments are held in a country or region other than the Philippines (for example, a security listed on an overseas exchange), they may be subject to the laws, regulations and market requirements of the overseas country or region and this means your rights relating to those investments may be different.

It's also a good idea to understand whether you are a citizen or resident of a country or region where there are restrictions on you relating to the purchase of particular products. You might need professional advice to help you figure this out.

VIII. Your instructions

You can give instructions verbally, electronically or in writing, depending on the product or service you need. We may set limits affecting your ability to give instructions such as requiring you to give us instructions during business hours.

We may delay or refuse to act on instructions if:

- You are acting for our customer on an account or service that belongs to them (for example, if you are acting under a power of attorney),
- You don't have enough money or assets to carry out the instruction, or
- You haven't given us information that we've asked for within a reasonable time or the information you have given us is incorrect or misleading.
- We don't understand your instruction,
- We don't have sufficient time to act before the relevant cut-off time for receipt of instructions, linked to the opening hours of our offices or the market in which your order needs to be placed,
- We have to comply with applicable laws and regulations (including financial crime), market requirements, or our own internal policies,

- We have evidence or strong suspicion of a breach of security or misuse of your account or security details,
- We reasonably believe that if we don't, we or another member of the HSBC group might break or be acting outside of a law, regulation, code, court order, other duty or requirement or an agreement or guidance from a government, regulator or law enforcement agency,
- We reasonably believe that you're involved in criminal activity,
- We or third parties who provide services, are prevented from carrying it out due to events outside of our or their control, or
- We have suspended or closed your investment and/or bank account.

We'll tell you as soon as we can if we delay or do not act on your instructions, but we'll not be responsible for any loss that you consequently suffer.

IX. Executing your instruction

Before executing your instruction, we will provide you a quote, or an estimate of the price you will pay or the price your security and fund will be sold at. The actual price will depend on the price that we secure when placing an order to buy or sell.

X. Settling a transaction

You may instruct us to deduct money or assets from any of your accounts with the bank. Once you have instructed us to deduct money or assets from your account, we may place these on hold to settle your transactions.

If we complete any transaction where you don't have enough money or assets in your accounts, or we're unable to deduct the money or assets from your accounts, then you'll owe us the shortfall in money or assets.

For this purpose, you hereby authorize us to deal directly with your bank.

XI. After-sale transactions

You should regularly review your investments and financial position to ensure your investments continue to meet your financial needs.

For the interest or redemption proceeds, we will credit your nominated bank account with amounts we receive from your investments. The date or time when the investments or amounts become available in your account depends on:

- Time zone differences between markets.
- Actions of 3rd parties involved in a transaction.
- Trading rules or practice in a particular market.

XII. Confirmations

A confirmation is a document confirming the details of a transaction including the actual price of the trade transaction, and it forms part of your contract with us for that transaction. If you receive a confirmation, you must let us know of any errors within 10 business days.

There may be transactions that we've carried out for you but the confirmation will come from a third party (for example, when participating in a corporate primary offering, the registry or custodian will be responsible in sending a confirmation to the investors).

XIII. Closing your account

Before we can close your account with us, we must ensure all outstanding transactions and instructions have been completed. All of your investments must also have been transferred to another custodian or sold. This must be done before your account can be closed.

We may suspend or close your account and suspend or stop services immediately if you:

- Don't pay any amount owed to us in relation to the investment account and the amount is in our reasonable opinion material,
- (Or a person holding an account jointly with you) are declared bankrupt or have similar proceedings brought against you,
- (Or a person holding an account jointly with you) die or become incapacitated,
- Haven't given us information we've asked for after a reasonable period of time,
- Have given us incorrect or misleading information, or
- Are in a dispute with a joint account holder or another person with authority to give investment account instructions.

We may also suspend or stop services immediately. We can do any of these things if we:

- Are complying with any court order,
- Reasonably believe that if we don't, we or another member of the HSBC group might break or breach a law, regulation, code or court order, agreement or guidance from a government, regulator or law enforcement agency or any other duty or requirement,
- Receive a claim from someone else on your funds held with us or we reasonably believe you or someone else used our products or services illegally or fraudulently,
- Reasonably believe you're involved in criminal activity, it doesn't matter whether or not this is linked to the investment account,
- Have evidence of a breach of security or misuse of your account or security details,
- Reasonably believe we could be exposed to action or censure from any government, regulator or law enforcement agency or another HSBC group member may be exposed to those things, or
- Otherwise reasonably believe such action is required.

#### XIV. Transferring your investments

You can transfer your investments out at any time to another bank or custodian, subject to completing certain documentary requirements.

You can also transfer to us certain investments that you've purchased through other third parties. We won't give you any advice about these investments but we can provide safekeeping services where necessary. Please ask us if you'd like to do this. We'll only be responsible for those investments that we actually receive from third parties.

#### XV. Set-off

Set-off means using money you have with us or another member of the HSBC group to pay a debt you owe us or a member of the HSBC group.

We, and the third parties involved in providing safekeeping services, have a lien over your investment products. In practice this means that if you fail to pay any amount that is owed to us or those third parties we or they may:

- Take possession of the investment products, and
- Sell or close them and use the proceeds to set-off that debt and pay any balance to you.

If we need to use your investment products for this:

- You may not receive as much money for a product with a fixed term than if you had held it for the full fixed term of that product,
- You may not receive back the amount of money that you invested in a product where that product is not capital guaranteed, or
- We may have to do so at a time when the sale price of the product is low due to market conditions.

We'll not be responsible for any loss that you suffer as a result of us selling your investments in these circumstances.

XVI. Using third parties

We may appoint others to perform the services on our behalf who may:

- Be a member of the HSBC group,
- Be local or overseas people or entities, and
- Further appoint another person to perform the services.

If that happens, we will:

- Remain responsible to you for their activities,
- Pay them fees or other payments for the services provided to us, and
- Pass such information to them about you, your accounts with us and your investments as is required to enable them to provide the services.

XVII. Our liability to you

We'll only be responsible for loss if:

- It was caused because we, or someone acting for us, acted negligently (this basically means we didn't take proper care in cases where we should have done) or fraudulently (this basically means if we've been deceitful), or
- We failed to do something we agreed to do in these terms, and the resulting loss you suffered was of a type and amount we could have expected as a result of those actions or failures.

XVIII. Clarifying our relationship

There are specific legal responsibilities applicable where:

- Someone acts as a trustee (someone appointed to hold assets belonging to another and act in their interests), or
- There is a fiduciary relationship (where one person manages assets for another and must act with the highest standard of care).

When we provide services to you under these terms:

- We do not act as your trustee.
- There is no fiduciary relationship between us.

XIX. Residence or Nationality

Your residency or nationality may restrict the types of investments you can buy or transactions you can enter into.

You must notify us if your country or region of residence or nationality changes. In these circumstances we may be unable to complete an outstanding transaction, or you may be unable to invest in certain products going forward, if doing so could involve a breach of laws or regulations.

XX. Your data

The following terms used in this Clause shall mean:

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

*"Compliance Obligations"* means obligations of the 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 the HSBC Group or which is otherwise received by any member of the 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 the HSBC Group.

*“Controlling persons”* mean 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, your transactions, your use of our products and services, and your relationships with the 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 Limited, its affiliates, subsidiaries, associated entities and any of their branches and offices (together or individually), and “member of the 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 the HSBC Group and an Authority, or agreement or treaty between Authorities and applicable to HSBC or a member of the HSBC Group.

*“Personal Data”* means any information, whether recorded in a material form or not, (a) from which the identity 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”* means maintaining our overall relationship with you, including marketing services or products to you, market research, insurance, funds 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 HSBC Investment and Insurance Brokerage, Philippines Inc. and/or any member of the HSBC Group.

Reference to the singular includes the plural (and vice versa).

## COLLECTION, PROCESSING AND SHARING OF 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 the HSBC Group shall use Customer Information in accordance with such clauses.

Customer Information will not be disclosed to anyone (including other members of the 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 the HSBC Group may collect, use and share Customer Information. Customer Information may be requested by us or on our behalf or that of the HSBC Group, and may be collected from you directly, from a person acting on your behalf, from other sources (including from publicly available information), and it may be generated or combined with other information available to us or any member of the HSBC Group.

### PROCESSING

Customer Information will be processed, transferred and disclosed by us and/or members of the 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 authorize,
- 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 the HSBC Group,
- g. for our internal operational requirements or those of the 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.

### 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 the HSBC Group;
- b. any sub-contractors, agents, service providers, or associates of the 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, 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. 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.

#### CUSTOMER/CLIENT 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 the HSBC Group from time to time, and to respond promptly to any request from us or a member of the 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 the 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 the 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 the HSBC Group to meet the Compliance Obligations; and/or
  - c. block, transfer or close your account(s) where permitted under local Laws.

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.

#### 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 the HSBC Group, their staff and third parties are subject to.

#### FINANCIAL CRIME RISK MANAGEMENT ACTIVITY

We, and members of the 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 the 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 the 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.

#### 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 the 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 the HSBC Group provide tax advice. You are advised to seek independent legal and/or tax advice. Neither we nor any member of the 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 the HSBC Group.

#### MISCELLANEOUS

In the event of any conflict or inconsistency between any of these Terms and those in any other service, products, business relationship, account or agreement between you and us, these Terms shall prevail. Any consents, authorizations, 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.

#### SURVIVAL UPON TERMINATION

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

- XXI. In the event of complaint  
Should you have cause to complain about any aspect of the service provided, in the first instance please contact your Relationship Manager. HIB has a formal complaints handling process and you can be assured any complaint will be handled professionally and your concerns thoroughly investigated.

#### CONFORME:

I HAVE READ, UNDERSTOOD AND AGREE TO THE ABOVE TERMS AND CONDITIONS, A COPY OF WHICH HAS BEEN PROVIDED TO ME.

\_\_\_\_\_



Customer's signature over printed name

\_\_\_\_\_



Customer's signature over printed name

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Date signed

\_\_\_\_\_

Date signed

For general information on how we collect, use, disclose and process data, please go to <https://www.hsbc.com.ph/privacy-statement/>.

To contact HSBC for inquiries or complaints, call (02) 8858-8000 from Metro Manila, 1-800-1-888-0000 PLDT domestic toll-free, +63(2) 7976-8000 from overseas, email [hsbc@hsbc.com.ph](mailto:hsbc@hsbc.com.ph), or visit [hsbc.com.ph/feedback](https://hsbc.com.ph/feedback).

HSBC Investment and Insurance Brokerage, Philippines Inc. is a member of the HSBC Group of companies and is a wholly-owned subsidiary of the The Hongkong and Shanghai Banking Corporation Limited Philippines. HIIB is licensed and regulated by the Insurance Commission and the Securities and Exchange Commission of the Philippines.

HIIB is formerly known as HSBC Insurance Brokers, (Philippines) Inc. that was established in 2002.