

HSBC InvestDirect International Portfolio

Terms and Conditions



The world's local bank

Introduction

Our investment service enables you to open an HSBC InvestDirect International Portfolio (“**IDIP**”) with us. The **IDIP** gives you the ability to trade in investments.

This service is only available to HSBC Bank International Limited (“HSBC Bank International”) customers. These terms and conditions should be read in conjunction with the Personal Banking Terms of Business of HSBC Bank International Limited.

This is an onshore service provided by HSBC Bank plc in the UK and is subject to UK law and tax regulations.

The **IDIP** comprises settlement accounts in GBP, USD or EUR and an investment account, which we will open for you when your application has been accepted and all account opening formalities have been completed with us and HSBC Bank International.

HSBC Bank plc is established at 8 Canada Square, London E14 5HQ which is its Registered Office. HSBC Bank plc is regulated by the Financial Services Authority and is registered in the Financial Services Authority register with the following Registration Number: 114216. In Jersey, HSBC Bank plc is regulated by the Jersey Financial Services Commission for Banking, General Insurance Mediation and Investment Business. In Guernsey, HSBC Bank plc is licensed by the Guernsey Financial Services Commission for Banking, Insurance, Collective Investment Schemes and Investment Business. In the Isle of Man, HSBC Bank plc is licensed by the Isle of Man Financial Supervisions Commission for Banking and Investment Business.

HSBC Bank plc’s registered VAT Number is GB365684514.

HSBC Bank International Limited is licensed by the Jersey Financial Services Commission for Banking, General Insurance Mediation, Collective Investment Schemes & Investment Business, licensed by the Guernsey Financial Services Commission for Banking, Collective Investment Schemes & Investment Business and licensed by the Isle of Man Financial Supervision Commission for Banking and Investment Business.

Some of our products and services require supplemental terms. We will make those supplemental terms available to you via our website.

The language used in the terms for access and use of this website and the language used in any other documents, such as contract notes, trade confirmations and in all communications exchanged between us will be in English. All your instructions and any other communications from you to us must be in English, otherwise they will not be valid.

All references to time in these terms, supplemental terms, any other information posted on this website, and in any other documents, such as contract notes, trade confirmations and in all communications exchanged between you and us will mean UK time.

We are regulated by the Financial Services Authority and as such we are bound by its rules.

HSBC Bank plc subscribes to the Banking Code, which may be accessed at <http://www.bankingcode.org.uk>

The words in Bold in these terms are defined in the glossary below.

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HSBC InvestDirect International Portfolio (“IDIP”)

1. Opening an IDIP

1.1 You may apply to open an **IDIP** using the HSBC Bank International **website** at www.offshore.hsbc.com. An **IDIP** may only be opened in your sole name, and not in joint names. We and/or HSBC Bank International reserve the right to decline to open an **IDIP**.

1.2 To open and maintain an **IDIP** you must fulfil our **residency requirement**, and be at least 18 years of age.

1.3 We will open a **settlement account(s)** and an **investment account** for you when your **application** has been accepted and all account opening formalities have been completed with us and HSBC Bank International.

2. Moving money or transferring investments into your IDIP

2.1 You can transfer **investments** into your **IDIP** by the methods notified to you on our **website** or otherwise from time to time.

2.2 You authorise HSBC Bank International to pay and transfer to us upon our **instructions** to HSBC Bank International the necessary funds at the close of each **business day** from your HSBC Bank International account(s) to ensure the balance of your **settlement account(s)** remains at nil.

3. Moving money or transferring investments out of your IDIP

3.1 We will transfer **investments** out of your **IDIP** on **instructions** given to us by the methods notified to you on our **website** or otherwise from time to time. We will use your **user ID** and security details to authenticate your **instructions**.

3.2 We will transfer any credit balance on your **settlement account(s)** at the close of each **business day** to your HSBC Bank International account(s) to ensure the balance of your **settlement account(s)** remains at nil.

3.3 We will have no obligation to make any transfer of **investments**, and you will have no right to demand any transfer, if any applicable law, regulation or regulatory requirement makes it unlawful for us to make, or for you to demand, such transfer out of your **IDIP**.

4. Termination and Closure of Accounts

4.1 If you wish to close your **IDIP** you must tell us in writing. You will not be charged for closing your **IDIP**.

4.2 If we wish to close your **IDIP** we will give you at least 30 days notice in writing unless there are circumstances which justify us in closing your **IDIP**.

4.3 We may terminate the **agreement** and/or close any of your accounts or your entire **IDIP** immediately without notice if at any time we reasonably believe that:

4.3.1 there is a change in law or regulation that requires us to do so;

4.3.2 you are not eligible for the account(s) in question;

4.3.3 you have given us false information in connection with your **IDIP** (for example, in your **application**);

4.3.4 your account(s) are being or have been used illegally or for a purpose that we reasonably and in accordance with relevant market practices consider inappropriate (by you or by someone else);

4.3.5 you have been in serious or persistent breach of the **agreement**;

4.3.6 you cease to meet our **residency requirement**

4.4 If you close your **investment account**, we will close your **IDIP** at the same time and terminate this **agreement**.

4.5 On termination of the **agreement** for any reason:

4.5.1 any benefit or services provided to you by us will end immediately unless the **terms** relating to the particular benefit or services state otherwise;

4.6 We will transfer the **investments** held in your **IDIP** to you or a third party, in accordance with your written **instructions**.

4.7 Termination will not affect any outstanding transactions or any rights or obligations which may already have arisen between us. Transactions in progress at the date of termination will be completed by us as soon as practicable subject to the **terms**. Terms 12, 14, 15, 16, 21 and 24 and the relevant parts of the glossary will continue in force notwithstanding termination.

4.8 If you terminate your relationship with HSBC Bank International this will automatically terminate your **IDIP** relationship with us.

5. Statements

5.1 We will provide you with **statements** for your **IDIP** in accordance with term 16.5. At your request, we will send your **statements** to you by post, although we may levy a charge for this service. Additionally we will provide you with a statement by post annually.

5.2 Statements will show the **investments** you hold in your **IDIP**. Trades may be shown as settled, even if the **investments** or proceeds have not yet been delivered. Statements are subject to any future adjustments that may need to be made in respect of any failed deliveries.

5.3 We may attach messages or other **communications** to your **statements** to tell you about changes to the terms.

5.4 We recommend that you check your **statements** regularly. If there is an entry that appears to be wrong, you should contact the client service centre as soon as possible.

6. Currency Exchange

6.1 You authorise us to enter into currency exchange transactions on your behalf at our prevailing rates of exchange. Such transactions will be made either on

instructions from you, or in the absence of such **instructions** as we in our discretion may think fit either before or after termination of these **terms** in order to exercise our rights under the **terms**.

6.2 Currency exchange transactions pursuant to these **terms** may only be made in connection with the settlement of an investment dealing transaction or remittances to your HSBC Bank International account(s).

INVESTMENT DEALING

7. Investment Dealing Service

7.1 You may only trade in **investments** as defined in the glossary to the **terms** below. We do not provide any investment advice or personal recommendations. In giving orders to us to deal in **investments**, you do so in reliance on your own judgement. Independent advice should be sought if required.

7.2 You may submit your **instructions** via our **website**, the **customer service centre** or by post. If you submit your orders via the **customer service centre** or by post, we may charge you a higher fee as stated on our **fees** page. We will not accept **instructions** given by fax, secure **email** or insecure **email** to buy or sell or exercise rights in respect of **investments**. When you place an order, we may, in our absolute discretion, decline to accept it or subject it to conditions. When placing an order, you may settle the trade through any one of your settlement accounts regardless of currency. If the settlement account is in a different currency to that of the price of relevant **investments**, a currency exchange transaction will be performed automatically on the settlement date at our rate of exchange prevailing on that date.

7.3 When we accept an order, we will use reasonable endeavours to carry it out on the best **terms**, but we will not be liable for any loss or expense you incur if we are reasonably unable to do so for whatever reason (including systems failures) or if there is a delay or change in market conditions before the transaction is effected. If you place an order to buy or sell **investments** and we cannot execute

your order in its totality, if your order can be partially executed, we will execute it to the extent possible and the balance will be cancelled at market close, on the expiry date of the order. We will not be liable for any loss suffered by you arising from partially executed or cancelled orders.

7.4 We may provide real or delayed time prices. All prices provided by us are indicative only unless expressed by us to be guaranteed and accepted by you in the prescribed manner within 15 seconds, in which case the price will be fixed. All prices provided by us relate to orders up to the quoted market size. An order from you will be carried out as soon as is reasonably possible. However, where a guaranteed price is unavailable, the market price may have moved, either in your favour or against you, during the time between the display of the price to you and the execution of your order. Additionally, orders above the quoted market size will generally be executed at a less favourable price than orders within the quoted market size. The quoted market size will vary from investment to investment.

7.5 We will accept orders given outside **normal market hours**. Orders accepted when a market is closed will be placed:

7.5.1 in the case of the main market of the London Stock Exchange and the Alternative Investment Market of the London Stock Exchange when or as soon as reasonably practicable after the market opens;

7.5.2 in the case of New York Stock Exchange, Inc., American Stock Exchange and Nasdaq Stock Market, Inc., 30 minutes before the market opens (or such other time as we may inform you) or as soon as reasonably practicable thereafter.

7.6 Orders given during **normal market hours** are usually irrevocable. You will only be able to cancel an order if you have entered it outside **normal market hours** and it has not already been placed with the market in accordance with term 7.5 or if you have placed a limit order and the limit has not been met. There is a risk of increased price volatility when placing an order when the market is closed or near to a market's opening and you should consider placing a limit order. We will not be liable for any

loss if an order cannot be cancelled at your request.

7.7 If you place an order near to a market's closing, whilst we will take all reasonable steps to arrange for your order to be executed before the market's close, your order may not be executed in which case it will either be cancelled or will be held over and placed on the next day on which the relevant market is open for trading in accordance with term 7.5. If your order is cancelled, we will make every endeavour to advise you of the cancellation and if you still want to buy or sell the **investments**, you must place the order again. We will not be liable for any loss arising from such a cancellation.

7.8 We may aggregate your orders with those of other customers (including those of connected customers or our **associates**). Such aggregation may sometimes result in a less favourable price for you.

8. Terms of Dealing

8.1 In the absence of any written notification from you to the contrary we may deal for you in circumstances in which the relevant transaction is not regulated by the rules of any **investment exchange**.

8.2 You may not sell **investments** that you do not have in your **investment account**, but you may sell **investments** that have been bought but not yet been settled or utilise cash due from **investments** that have been sold but not yet been settled. If you transfer **investments** into your **investment account**, you will not be able to sell them until they have been transferred into our nominee name. We will not be liable for any loss you may suffer if you sell any **investments** that you do not have in your **investment account** or that have not yet been settled.

8.3 If you buy **investments**, on settlement date, which is indicated on your contract note, you must have sufficient cleared or available funds in your HSBC Bank International account. If you sell **investments**, on the date you instruct us to sell, you must have sufficient **investments** available to sell in your **investment account** and, on settlement date, you must have sufficient settled **investments** to settle your sales.

9. Settlement and Custody

- 9.1 Your **investments** will be registered in the name of an appropriate nominee company:
- 9.1.1 they may be pooled with those of other customers which means that your entitlement may not be individually identifiable by separate certificates or electronic records (other than ours, where they will be identifiable) and, in the event of an unreconciled shortfall on the default of a custodian, (and save as provided in term 9.8), you may share proportionately in that shortfall;
- 9.1.2 the entitlements on your **investments** received by us or the nominee will be calculated by reference to our (or the nominee's) aggregate holding of a particular investment on behalf of all customers, us or **associates**. The procedure adopted for calculating entitlements may mean we receive an aggregate entitlement greater or less than the sum of the individual entitlements we would have received if each such person's entitlement had been held separately. Where such entitlement is greater, we will credit your **IDIP** with an amount at least equal to the amount you would have received if your entitlement had been held separately. We will be entitled to any remaining balance for our own account. Where such entitlement is smaller, we will credit your **IDIP** with an amount calculated on a pro rata basis, which will be less than the amount that you would have received if your entitlement had been held separately; and
- 9.1.3 non-UK **investments** may be held overseas. There may be different settlement, legal and regulatory requirements and different practices for the separate identification of **investments** from those applying in the UK.
- 9.2 Where we act for you as your agent, it is the other party to the transaction and not us who is responsible for settling the trade with you and delivery or payment (as the case may be) will be at your entire risk. Our obligation is only to pass on to you, or to pass on as you direct, or to credit to your account, such deliverable documents or sale proceeds (as the case may be) as we actually receive. Where your money is held by a third party pending the settlement of a transaction which we have executed for you, we shall be entitled to retain any interest accruing on it for our own account.
- 9.3 We are authorised to hold your **investments** with such sub-custodians as we may think fit, including sub-custodians who may be members of the **HSBC Group**.
- 9.4 We will be responsible for claiming and receiving dividends, interest payments and other rights accruing to your **investments**. We will convert all money received from dividends, interest payments and other rights and credit it to your settlement account.
- 9.5 We will use reasonable endeavours to notify you of takeovers or other offers or conversion, subscription or other capital rights attaching to **investments** in your **investment account**. You will not be sent shareholder **communications**. You will not receive shareholder benefits and you will not be entitled to exercise any voting rights attaching to your **investments**. We will not notify you of the dividend payments attaching to your **investments**, which will be credited to your accounts in either cash or shares depending on the standing instruction that you give us, or gave to us, on opening your **IDIP**. You can check or amend the status of your **standing instruction** by calling our **customer service centre**.
- 9.6 If you notify us, within such period as we may specify, that you wish to exercise rights in respect of your **investments**, we will use reasonable endeavours to give effect to your **instructions** but only on such **terms** as we may agree from time to time. Otherwise, we will take such action, or refrain from taking any action, as we in our absolute discretion determine (including, without limitation, arranging the disposal of any subscription rights on your behalf in such manner as we think fit).
- 9.7 If we are notified of any demands on **investments** in your **investment account**, in respect of unpaid monies, we will use reasonable endeavours to notify you of such demands. If you provide the relevant funds in good time, we will satisfy such

demands on such **terms** as you advise which are reasonably acceptable to us. Otherwise, we will not be required to take any action on your behalf and will not have any liability in respect of the consequences of a failure to satisfy demands made. However, where we are legally liable to meet such demands or choose to do so at our absolute discretion, we may do so to the debit of your HSBC Bank International account.

9.8 We accept liability for any custodian or nominee company that is a member of the **HSBC Group**. We will remain responsible where other custodians are used only for our own defaults.

10. Material Interests

10.1 In relation to any information or service that we provide for you, we or an **associate** may have an interest, relationship or arrangement that is material in relation to the subject of such information, the transaction or investment concerned. We are entitled to act notwithstanding any such interest.

10.2 Neither the relationship between us, as described in the **terms**, nor the services we provide, nor any other matter, will give rise to any fiduciary, equitable or contractual duties on our part, or that of any **associate**, which would prevent or hinder us or any **associate** from doing business with or for you, other customers or other persons or for our or their own account.

10.3 We and our affiliates may retain any payment, remuneration, profit or benefit which arises in relation to, or as a result of, any such matter as is referred to above.

11. Your FSA Client Classification

11.1 Our **investment service** is provided to you for your personal use only and is not intended to be used for professional purposes. For the purposes of **FSA rules**, we will treat you as a private customer. If you are acting as agent for someone else, we will treat you alone as our customer for the purposes of **FSA rules** and you will be liable, in addition to that person, in respect of any transactions entered into.

12. Market Data Providers

12.1 The **market data** provided to you is provided by various third party sources referred to as **market data providers**. These include, but are not limited to, the New York Stock Exchange, Inc., American Stock Exchange, Deutsche Börse, Nasdaq Stock Market, Inc., Dow Jones & Company, Inc., London Stock Exchange, FTSE™ International Limited, Nikkei, and other exchanges, their affiliates and agents third party **market data providers** and members of the **HSBC Group**. The Dow Jones IndexesSM are compiled, calculated and distributed by Dow Jones and Company, Inc and have been licensed for use. All content of the Dow Jones IndexesSM ©2000-3 Dow Jones and Company, Inc. FTSE is a trade mark of the London Stock Exchange plc and the Financial Times Limited and is used by FTSE International Limited under license. "Eurotop" is a trade mark of Euronext N.V. or its subsidiaries and is used by FTSE under licence. We are licensed by FTSE International Limited ("FTSE") to publish the FTSE Indices. The FTSE Eurotop Indices are calculated by FTSE in conjunction with the Institute and Faculty of Actuaries and Euronext N.V. or its subsidiaries ("Euronext") and in accordance with a standard set of ground rules. The Eurotop 100 Index is a trade mark of Euronext and is used by FTSE under licence. The FTSE Eurotop 100 Index is the proprietary interest of Euronext and FTSE. All copyright in the FTSE Eurotop 100 index values and constituent list vests in Euronext and FTSE jointly. The FTSE Eurotop 300 Index is the proprietary interest of FTSE. All copyright in the FTSE Eurotop 300 index values and constituent list vests in FTSE. ©FTSE International Limited 2003. All Copyright in the Nikkei Indices vests in Nihon Keizai Shimbun, Inc.

12.2 By using the **market data**, you acknowledge and agree that:

12.2.1 **market data** is provided solely for your individual use and may not be used in connection with the issuance, trading, marketing or promotion of investment products without separate written

agreement with the **market data** provider who owns it. You may not copy, distribute or redistribute the **market data**, including by caching, framing or similar means, or sell, resell, re-transmit or otherwise make the **market data** available in any manner to any third party. You may not store the **market data** for the purpose of creating a historical database or historical data product;

12.2.2 **market data** is and will remain the property of the respective **market data providers**;

12.2.3 at any time, the **market data providers** may discontinue disseminating any category of **market data**, may change or eliminate any transmission method and transmission speed and you will not hold the **market data providers** or us liable for any resulting liability, loss or damage;

12.2.4 this term 12 is for the express benefit of the **market data providers** and they may enforce these provisions against you.

12.3 This term 12 will remain in effect for as long as you have the ability to receive **market data** and will survive termination of the **agreement**.

12.4 The **market data** is provided "as is" and there may be delays, omissions or inaccuracies in it. We, the **market data providers** and our and their respective employees, affiliates and agents cannot and do not guarantee the accuracy, completeness, timeliness, merchantability, fitness for a particular purpose, title or non-infringement of the **market data** and disclaim any such express or implied warranties, to the fullest extent, permitted by law.

12.5 Neither we nor the **market data providers** and our and their respective employees, affiliates and agents will be liable to you for any loss or damage (other than in relation to death or personal injury) whether or not caused in whole or in part by our or their negligence or omission in procuring, compiling, interpreting, editing, writing, reporting or delivering **market data** or by any force majeure or any cause beyond our or their reasonable control. In no event will we, the **market data providers** and our and their respective employees, affiliates and agents be liable to you or anyone else for any decision made or

action taken by you in reliance upon **market data** or for any consequential, indirect, special or similar damages resulting from inconvenience, or loss of use of our **website**, even if advised of the possibility of such damages.

12.6 You acknowledge and agree that we are not an agent of Nasdaq Stock Market, Inc.

13. Trading Limit

13.1 As part of our account opening process, you will be requested to apply for a trading limit with HSBC Bank International for trading purposes, which will be confirmed to you by letter if your **application** is successful. This will allow you to undertake investment dealings with us up to a pre-determined limit within our defined settlement period. Thereafter, you may apply from time to time to HSBC Bank International to increase or decrease your trading limit.

13.2 Any proceeds due from the sale of shares prior to settlement will reduce the balance outstanding against your trading limit. Any funds required to meet share purchases prior to settlement will increase the balance outstanding against your trading limit.

13.3 You will not be permitted to deal in **investments** until a trading limit has been agreed with HSBC Bank International, your **application** has been accepted and all account opening formalities have been completed with us and HSBC Bank International.

13.4 It is your responsibility to ensure that you do not at any time exceed your trading limit, unless HSBC Bank International have expressly authorised you to do so.

13.5 We reserve the right not to act upon an **instruction** if it would result in your trading limit as described in term 13.1 being exceeded.

13.6 If we make a transaction on your behalf, and you have exceeded your trading limit as described in term 13.1, this does not mean that we have agreed to increase your trading limit.

13.7 Where insufficient funds are held in your HSBC Bank International account to meet your dealing obligations HSBC Bank International at their discretion may serve you with a default notice requiring you to remedy the default within the period specified in the default notice, failing which HSBC Bank International may instruct us to sell any of your **investments** at their discretion and you authorise us to do so.

SECURITY PROVISIONS

14. Security

14.1 All of your **investments** in your **IDIP** are subject to a general charge jointly in our favour to cover outstanding amounts (including **fees**) due from you to us and HSBC Bank International. If we receive **instructions** from HSBC Bank International to realise any of your **investments**, we and/or HSBC Bank International are entitled to release from any charge and sell any such **investments**. Thus, you hereby charge with full title guarantee free of any adverse interest whatsoever to and for the benefit of both ourselves and HSBC Bank International:

14.1.1 by way of first fixed legal charge, each account with us and all **investments** and cash from time to time credited to that account and, by way of separate first fixed legal charge, the benefit of any account and any rights against any banker, custodian or other person on whose books that account exists, to which any such **investments** and cash are from time to time credited;

14.1.2 by way of first fixed legal charge, all **investments** in respect of which title has been transferred by way of security to us or to our order;

14.1.3 by way of fixed equitable charge, all other assets which (or the certificates or documents of title to which) have been deposited in any account or are otherwise held by us; and

14.1.4 by way of first fixed legal charge, all sums of money held by us for you, the benefit of all accounts in which any such money may from time to time be held and all your rights, title and interest under any trust (whether arising by **agreement** or

otherwise) relating to such money or to such accounts;

14.2 The benefit of the charge referred to in this term 14 is held by us and HSBC Bank International for the benefit of ourselves and as trustee for the benefit of all of our **associates**, agents and licensors from time to time.

14.3 The security created hereunder will remain in full force and effect by way of continuing security and will not be affected in any way by any settlement of account or other matter or thing whatsoever and will be in addition to any other security, guarantee or indemnity now or hereafter held by us or any other person in respect of your liabilities.

14.4 You hereby authorise us to execute and sign all such transfers, assignments, further assurances or other documents and do all such other acts and things as may reasonably be required to vest the above security or any of it in us or to realise any of it and to vest the proceeds in us or to our order or to a purchaser or transferee or to perfect or preserve our rights and interests in respect of the security or for the exercise by us of all or any of the powers, authorities and discretion conferred on us by the **terms**.

14.5 Unless the context requires otherwise, references in this term 14 to "us" include references to any person holding any of the security or in whose name any of it may be registered.

14.6 In enforcing the security, we and/or HSBC Bank International may sell, pledge, deposit or otherwise deal with all or any of the security, free of any interest of yours and as we in our absolute discretion think fit (without being responsible to you for any loss or reduction in price).

14.7 The net proceeds of any such dealings will be applied to your settlement account and dealt with in accordance with term 3.2.

15. Lien

15.1 All of your **investments** in your **investment account** are subject to our lien if you default in paying any amount by the due date, we are entitled to sell any such **investments** in any way we consider fit.

- 15.2 Sections 93 (restriction of right of consolidation) and 103 (restriction of right of sale) of the UK Law of Property Act 1925 will not apply to the **terms**.
- 15.3 If you fail to make payment or to deliver any assets due to us, we may enforce the security, without prior notice or demand to you.

GENERAL TERMS

16. Information and Communication

- 16.1 You may contact us by **secure e-message**, by telephone to our **customer service centre**, post and in such ways as we may inform you from time to time. When you contact us by **secure e-message** or telephone, we will check your identity using your **security details**.
- 16.2 You must not contact us by **email**. If you do so, you do so at your own risk and we will not be held liable for, and you will indemnify us in respect of, the consequences or our acting in good faith in accordance with any **instructions** contained in such **email**.
- 16.3 For security purposes, we may ask you to confirm in writing **instructions** given to us via our **website** or by telephone or carry out such further security checks as we deem appropriate before carrying out your **instructions**.
- 16.4 We may contact you via **secure e-messaging**, and other internet enabled means (including **email**), by telephone (including automatic calling systems), by post, by mobile messaging and in such other ways as we may inform you from time to time.
- 16.5 You agree that for the purposes of sending you any **communications** or other documentation relating to your **IDIP**, such as **statements** and contract notes in respect of your **investments**, we may in our absolute discretion send such documentation in electronic form only.
- 16.6 We will inform you of any changes in our contact details on our **website**. You must promptly inform HSBC Bank International if your name, address, telephone, **email** address or any other details change and you agree that we may

update our records from those held by HSBC Bank International. If you do not do this we may charge you any costs and expenses we incur in locating you. We will not be liable for **communications** or **statements** sent to you using your old details prior to our receipt of your new details in accordance with this term 16.6.

- 16.7 To ensure we carry out your **instructions** accordingly, to help us continually improve our service and in the interest of security, we may monitor and/or record your telephone calls with us and keep records of e-messages, **emails** and other internet **communications**.
- 16.8 Any news, prices, opinions and other information is or are provided solely to enable you to make your own investment decisions and do not constitute personal investment recommendations or advice.
- 16.9 We will provide an information service during normal market hours Monday to Friday (excluding Public Holidays). Although we may provide a general opinion on the telephone, we will respond to a written request in writing. We may also provide you with general information in publications or in any other way we decide. Before publishing any research either we or another member of the HSBC Group may have acted on it or made use of it.
- 16.9.1 where we provide factual information or a general opinion we are not under any duty to consider the suitability of a particular investment for you and the information or opinion provided will not constitute a personal recommendation. Any information or opinion provided will be given to enable you to make your own investment decision. If you are in any doubt about the suitability of an investment for you, you should seek advice from an appropriate financial adviser.
- 16.9.2 we will only provide information or a general opinion on your specific request. We will not undertake to advise you on a continuing basis on your investment portfolio. We will provide you with an opinion in relation to stocks and shares which are frequently traded on the London Stock Exchange. This opinion will comprise company information and a

consensus view by stock market analysts on future performance. We may decline to provide an opinion in relation to any particular investment.

- 16.9.3 we cannot provide taxation advice and will not take account of an individual's tax position when providing an opinion on any security.
- 16.9.4 we may refuse to accept or execute any orders to deal or requests for information for an opinion without giving you a reason.
- 16.10 Neither we nor any of our **associates**, agents, or licensors makes any representation as to the completeness, accuracy or timeliness of such information nor do we or they accept any liability for any losses, costs, liabilities or expenses which may arise directly or indirectly from use of, or reliance on, the information. Such information is not an offer or solicitation by us or any of our affiliates to buy, sell or otherwise deal in any particular investment.
- 16.11 The information is and remains our property, the property of our licensors or the property of **market data providers** and is protected by copyright and other intellectual property laws.

Data Protection

- 16.12 Information we hold about you will not be disclosed to anyone (including other members of the **HSBC Group**), other than where:
- we are legally required to disclose, or
 - we have a public duty to disclose, or
 - our interests require disclosure, or
 - the disclosure is made with your consent, or
 - set out in the **terms** below.

Credit Reference Agencies

- 16.13 We may share information with credit reference agencies (CRAs) to verify your identity and suitability for an account. This will include the use of information from the Electoral Register and other public sources.
- 16.13.1 if you have applied for credit, we may use the record of your credit history held by the CRAs to assess your ability to meet your financial commitments. Where you have agreed in an **application**, we may also share details of how you manage any current accounts or borrowing from us with CRAs.
- 16.13.2 the CRAs will record details of your **application** which will form part of your credit history whether or not you proceed and if you make several **applications** for credit within a short period of time, this may temporarily affect your ability to obtain credit.
- 16.13.3 if we make demand for repayment following any default by you and you fail to repay the sum due in full or to make (and adhere to) acceptable proposals for repayment within 28 days, then, provided there is no genuine dispute about the amount owed, we may register the default with the CRAs. The registration of a default notice may affect your ability to obtain further credit.
- 16.13.4 if you have made a joint **application** for credit, an "association" linking your financial records with those of your fellow applicant(s) will be created by the CRAs. The credit history of your "**associates**" may be taken into consideration in any future **application** for credit. The "association" will continue to link your credit histories unless and until you successfully file a "notice of disassociation" with the CRAs.
- 16.13.5 please refer to clause 16.17.1 for more information regarding CRAs.

Crime Prevention and Debt Recovery

- 16.14 To prevent crime, to verify your identity and to recover debt, we may exchange information (both within the UK and, where appropriate, overseas) with other members of the **HSBC Group** and where appropriate, with fraud prevention and debt recovery agencies and other organisations including other lenders.
- 16.14.1 if you give us false or inaccurate information and fraud is identified, details will be passed to fraud prevention agencies to prevent fraud and money laundering. Please refer to clause 16.17.1 for further details explaining how the information held by fraud prevention agencies may be used.

Data Sharing

- 16.15 The **HSBC Group** may record, exchange, analyse and use relevant information about **you and your** relationships with the **HSBC Group** (including the nature of your transactions) for credit assessment, customer service, market research, insurance and administrative purposes. This may include information provided by you, or someone acting on your behalf.
- 16.15.1 relevant information may also be exchanged with members of the **HSBC Group** and others for audit purposes and if required by appropriate governmental and non-governmental regulators or ombudsmen.
- 16.15.2 we may use other **HSBC Group** companies and/or third parties to process information and provide services on our behalf. Whether it is processed in the UK or overseas, your information will be protected in accordance with data protection legislation, by a strict code of secrecy and security which all members of the **HSBC Group**, their staff and any third parties are subject to and will only be used in accordance with our **instructions**.

Information About Products and Services

- 16.16 With your permission, the **HSBC Group** may exchange, analyse and use relevant information about **you and your** relationships with the **HSBC Group**, (including the nature of your transactions) to give you information (including promotions) about products and services (including mortgages), available from the **HSBC Group** companies and those of selected third parties which may interest you by telephone, post, **email**, **secure e-messaging**, mobile messaging services and other means.

If you do not want us to contact you about such products and services, please let us know.

Miscellaneous

- 16.17 Under data protection legislation, you can make a written request for a copy of certain personal records we hold about you. The current fee is £10.00 per request from each individual.
- 16.17.1 further details explaining how information held by CRAs and fraud prevention agencies may be used is set out in a leaflet entitled 'Credit Scoring, Credit Reference and Fraud Prevention Agencies' which can be requested from branches or by telephoning freephone number 0800 587 7008. Please call this number if you require details of the credit reference and fraud prevention agencies we use.
- 16.17.2 to ensure that we carry out your **instructions** accurately, to help us to continually improve our service and in the interests of security, we may monitor and/or record your telephone calls with us. Any recordings remain our sole property.
- 16.17.3 we will obtain your written consent before providing a banker's reference about you. However, if we receive a request from another financial services institution to verify your identity for money laundering prevention purposes, we will provide this information.
- 16.17.4 we may use any contact details you have provided to us, including your postal address, telephone number(s) (including your mobile telephone number) and **email**

address to contact you for service related reasons. As such you must ensure that the contact details you provide are accurate and that you notify us promptly of any changes. Remember, **communications** may contain confidential information and if anyone else has access to them, for example to your **email** or mobile telephone, they may be able to view this.

17. Security Procedures

17.1 We may establish security procedures with you either by internet, telephone or post. On opening your **IDIP**, you will be issued with a Customer Identification Number (**CIN**), **user ID** and a **security number**.

17.1.1 if you telephone us, your call will be put through to our automated service. Textphone calls will be put through to our **customer service centre**.

17.1.2 to use our automated service you will need a touch tone telephone and a **security number**. If you have a password with us, you should contact us to convert it into a **security number**.

17.1.3 if you have a **security number** or password with us, we will ask you to confirm two of the digits and answer another question or other questions about your personal **security details**.

17.1.4 if you have not registered a **security number**, we will ask you a number of questions based on information known to us about you and the transactions on your account. We may not be able to assist you if we decide that we are unable to identify you as our customer using our security procedures.

17.1.5 when we call you, we will never ask for details of your **security number** or password. We will ask you questions based on information known to us about you and the transactions on your account which will enable us to identify you as a customer.

17.1.6 if you use a textphone you will be responsible for deleting the information held on your telephone at the end of each conversation.

17.1.7 you should not use cordless or mobile telephones operating on an analogue network to telephone us. We are not responsible if any one else intercepts or overhears any telephone conversation between you and us.

17.2 You must take all reasonable pre-cautions to prevent fraudulent use of your **CIN**, **user ID** or **security number**. These include but are not limited to:

17.2.1 destroying the **security number** advice immediately after receipt;

17.2.2 never writing your **CIN**, **user ID** or **security number** on any item normally kept near your personal computer;

17.2.3 never writing your **CIN**, **user ID** or **security number** in a way that can be understood by someone else;

17.2.4 never disclosing your **CIN**, **user ID** or **security number** to anybody else;

17.2.5 telling us immediately if you have grounds to suspect that someone else knows your **security details** (including your **CIN**);

17.2.6 never saving your **security details** on your browser so that they do not need to be re-entered each time you access your **IDIP**;

17.2.7 not using a workstation where the security of your **security details** could be compromised, for example, such as accessing any computer connected to a Local Area Network (LAN) or any public internet access device or access point without making sure that no one else will be able to observe or copy your access or get access to our services pretending to be you; and

17.2.8 always logging out of your session properly.

17.3 If you change your **security number**, you must take care not to choose numbers that are easy to guess, such as, for example, 123456, 444444, your birthday or your telephone number.

- 17.4 Please tell us as soon as possible if;
- 17.4.1 there is an entry on your statement that you think is incorrect;
- 17.4.2 you change your address;
- 17.4.3 you have forgotten your **security details** (including your **security number**); or
- 17.4.4 you think that someone else is trying to use any of your accounts.
- 17.5 We can refuse to act on an **instruction** if for any reason we think:
- 17.5.1 it was not given by you;
- 17.5.2 the **instruction** is not clear or appears inaccurate or incomplete;
- 17.5.3 it might cause us to breach the law or a contractual duty; or
- 17.5.4 we think that any of your accounts are being used for a purpose that we reasonably and in accordance with relevant market practices consider inappropriate or for an illegal purpose.
- 17.6 When you use our **investment service** you must ensure that your computer and modem comply with our requirements as communicated to you from time to time. You must also follow any procedures and **instructions** contained on our **website**.
- 17.7 If we give you software to help you to use our **investment service** you must not change it or allow anyone else to use or copy it. You must carry out your own virus checks.
- 17.8 You will tell us as soon as possible if you find any fault, failure, delay or error in our **investment service**, especially in the sending or receiving of **instructions**. Our records of your **instructions** will be conclusive unless there is a clear mistake.
- 17.9 We may ask you to co-operate with us and the police once you have made a report under term 17.4. We may also disclose information about you or your account if we think it will help prevent or recover losses.
- 17.10 Except as expressly provided by the **terms** or by law, you will be responsible for any **instruction** we receive and act on, even if it was not given by you. However, we will normally pay back the amount of any

payments we make or the amount of any direct loss you suffer arising as a direct result of us acting on a fraudulent **instruction** that is received by us after you have notified us in accordance with term 17.4. However, if you have acted with gross negligence, fraudulently or without reasonable care, for example if you have not complied with the security procedures set out in this term 17, you will be responsible for all payments we make and all losses to your **IDIP**.

18. Complaints

- 18.1 If we do not deliver the standard of service you expect, or if you think that we have made a mistake, please let us know. We will then investigate the situation and, if necessary, set about putting matters right as quickly as possible. In addition we will take steps, where appropriate, to prevent a recurrence. Please allow us the first opportunity to answer any concerns to put matters right. However, if you remain dissatisfied and would like further information about our process for resolving complaints, please ask us for our explanatory leaflet "Listening to your comments".
- 18.2 This does not affect your right to make a complaint to the Financial Ombudsman Service at any time. Further information can be obtained by writing to the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR or by **email** at enquiries@financialombudsman.org.uk or by telephone on 08450 801 800.

19. Your Obligations

- 19.1 You agree and confirm to us each time you use our services, that:
- 19.1.1 you are not in any way legally or otherwise restricted or prohibited from making a transaction or otherwise using our services. It is your responsibility to make your self aware of and comply with any reporting responsibilities of the relevant exchange should you buy or sell **investments** in a company involved in a takeover during an offer period;

- 19.1.2 the **terms** and each transaction are your valid and legally binding obligations (and/or the obligations of the person(s) on whose behalf you are acting);
- 19.1.3 your entering into and performance of the **terms** and each transaction does not violate, contravene, conflict with or constitute a default under any law, regulation, rule, judgement, contract or other instrument binding on you or any of your assets (and/or of the person(s) on whose behalf you are acting);
- 19.1.4 in accepting the **terms**, we have not made, and you are not relying upon, any **statements**, representations, promises or undertakings that are not contained herein;
- 19.1.5 you remain resident in the country that is eligible for this service.
- 19.2 We recommend that you monitor your **IDIP** carefully. You should notify us as soon as possible in writing if you become aware of:
- 19.2.1 the failure by you to receive a message from us indicating that an order was received, rejected and/or executed or any such message becoming distorted or wrongly transmitted due to defects in the network where you use our internet service; or
- 19.2.2 any inaccurate information in your **IDIP**, balances, records or assets held or transaction history.
- 19.3 You should not access our **investment service** from a country other than your country of residence if it is not permissible to do so in that country. You acknowledge that it is your responsibility to check that this is not the case and we will not be liable for your failure to do so.
- 19.4 If you buy or sell **investments** during an offer period in either a target or bidder company involved in a takeover, you may be required to report details of your dealings to the UK Takeover Panel if you own or control 1% or more of the company's securities. It is your responsibility to make any such report or any similar report in analogous circumstances concerning a US company.
20. Fees and Taxes
- 20.1 The commission and **fees** payable by you for use of our **investment service** are set out on our **fees** page. You must also pay any applicable Value Added Tax (VAT), stamp duty, stamp duty reserve tax, other taxes, levies or other transaction costs. Any such amounts due may be deducted from your settlement accounts with us. We may change our **fees** from time to time. We will always give you thirty days notice if we increase any of these **fees** or if we introduce a new fee.
- 20.2 We may share **fees** with our **associates** and other third parties, or receive and retain remuneration from them in respect of transactions carried out on your behalf. Details of any such remuneration or charging arrangements will not be set out in the relevant contract note or confirmation note but will be made available to you if you contact the **customer service centre**.
- 20.3 Certain additional **fees** will apply as set out in our **fees** page from time to time in the event that you do not comply with your obligations under the **terms**.
- 20.4 We may, subject to compliance with all applicable regulatory requirements, select brokers that provide soft commissions, that is to say, furnish, directly or through correspondent relationships, services which can reasonably be expected to assist in the provision of **investment services** to our customers and which are in fact so used. These selections, and the total amount of commissions given to a particular broker, may be made pursuant to an **agreement** that would bind us to compensate the broker relating to the service arrangements. We may endeavour to direct sufficient commissions to a broker who, pursuant to such arrangements, provides services in order to ensure the continued receipt of those services.
- 20.5 We may make a charge if you operate your **IDIP** otherwise than through our **website** as set out on our **fees** page as published from time to time.
- 20.6 We may debit your settlement accounts to meet any **fees** that are due to us.

- 20.7 You will at all times be fully responsible for payment of all taxes due and for making all claims in relation thereto, for filing any tax returns and for providing any relevant tax authorities with information in relation to any services we carry out for you or any money and **investments** in your **IDIP**. We do not provide tax advice under UK or foreign law. Ascertaining your status under such law is your own responsibility. If your tax status changes, you will be solely responsible to notify us of such change and to determine the effect this may have on you or your **investments**.
- 20.8 We may be required to provide certain details of your account to the United Kingdom tax authority, H.M. Revenue & Customs. So far as legislation requires, we will furnish details of your account on an annual basis, or as required by specific direction. This information may include, without limitation, details of all interest and dividends collected on your behalf. It may also include details of the purchase and sale of your **investments**. H.M. Revenue & Customs may forward this information to the tax authority of the country in which you are resident.
- 20.9 We will use reasonable endeavours to forward to you any tax documents which we may receive relating to you or **investments** in your **IDIP**.
- 20.10 We reserve the right to charge a dormancy fee should you not undertake any investment dealing activity in any 12 month period.
21. **Liability and Indemnity**
- 21.1 Neither we nor any of our **associates**, agents or licensors or their directors, officers or employees will be liable for any losses, costs, liabilities, expenses or damage incurred by you in connection with these **terms** unless caused directly by our or their negligence, wilful default or fraud. To the extent that such liability arises, and save where the law provides otherwise, we will only be liable for any losses, costs, liabilities, expenses or damage resulting directly from such negligence, wilful default or fraud. We will not be liable for any losses we could not reasonably have expected to occur.
- 21.2 We will not be liable to you if we do not act on your **instructions** for any reason set out in the **terms** or if we cannot carry out our responsibilities to you because of any cause that we or our agents or sub-contractors cannot reasonably control. This exclusion includes any losses arising from the unavailability of the relevant network to users of our internet services or data entered through or data becoming scrambled, lost or wrongly communicated in transmission due to defects in the network, direct or indirect failure of power supplies, equipment, data processing and communication systems or transmission links and any losses arising because of strike or other industrial action to the extent that such matters are outside our reasonable control.
- 21.3 From time to time we may have to shut down our **website** to enable us to perform essential work on, or major upgrades to, our service. We will make every effort to keep disruption to a minimum and to notify web users in advance if such shut down becomes necessary.
- 21.4 You agree to indemnify us or any of our **associates**, agents or licensors or their directors, officers or employees against all losses, costs, liabilities or expenses incurred by us or them in connection with the **terms** (including any loss occasioned by your negligence or incorrect use of our **investment service**) unless caused by the negligence, wilful default or fraud of the person who seeks to rely on this indemnity.
- 21.5 If you default in paying any amount due, interest and **associated** administrative and recovery costs will be payable by you on demand at the rate from time to time published in our rates and **fees** page.
22. **Additional Terms**
- 22.1 HSBC Bank plc is a member of the Financial Service Compensation Scheme established under the Financial Services and Markets Act 2000. In respect of our default, compensation may be payable under the Scheme in relation to certain **investments** up to a maximum of £30,000 plus 90% of the next £20,000 resulting in a maximum payment of £48,000. Further details of the Scheme are available on request or by writing to Financial Services

Compensation Scheme, 7th Floor, Lloyd's Chambers, Portsoken Street, London E1 8BN.

- 22.2 All transactions are subject to the rules and customs of the relevant exchange, market and/or clearing house and to any other applicable rules, regulations and/or laws so that:
- 22.2.1 if there is any conflict between such rules and the **terms**, the former will prevail;
- 22.2.2 we may take or omit to take any action we think appropriate to ensure compliance with such rules; and
- 22.2.3 such rules and any such action we take will be binding on you.
- 22.3 Nothing in the **terms** excludes or restricts any obligation we have to you under **FSA rules** and/or the Financial Services and Markets Act 2000 or requires you to exempt or indemnify us against any breach by us of such an obligation.
- 22.4 If any provision of the **terms** is held to be invalid or ineffective, it will not affect any other provisions.
- 22.5 Any of our services may be provided using the services of third parties, including our affiliates, who may act as agent for us on such **terms** as we think appropriate. We may do whatever we consider necessary or desirable for or incidental to the provision of our services.
- 22.6 We will not be deemed to have accepted any amendments to the **terms** unless we agree otherwise in writing.
23. **Changes to Terms**
- 23.1 We may, at our discretion, change these **terms**. We will tell you about changes personally, which includes telling you by post, statement message, **email** or **secure e-message**. We will only use **secure e-message** to tell you about changes if you are a regular user of the InvestDirect International website (by which we typically mean you use it at least once every 30 days) or if you have agreed we may.
- 23.2 If the change is to your disadvantage, we will give you 30 days' notice by post before we make the change. We may make any other change immediately and tell you

about it within 30 days. If we make a disadvantageous change, you may, at any time up to 60 days from the date we tell you of the change, close your **IDIP**. You will not have to pay us any additional charges for doing this during this period.

- 23.3 We may also vary our **fees** and the rates of interest payable on your accounts (if we have a valid reason). We will always give you 30 days' notice if we increase any of our **fees** or our interest rates or if we introduce a new fee.
24. **Governing law**
- 24.1 The **terms** are governed by the law of England and Wales. English courts will have non-exclusive jurisdiction over all disputes arising in connection with the **terms**.

GLOSSARY

The following **terms** have the meaning specified below:

agreement means the **terms**, any **supplemental terms** which we will communicate to you before we provide a product or service to you, the **application** signed by you and details of notice periods and **fees** contained in separate leaflets or on our **fees** page on our **website**;

application means the document that you are required to complete to open an **IDIP** with us. It may be accessed electronically via our **website** and will be despatched to you by post;

associate means any company that is an **associate** of HSBC Bank plc under **FSA rules**;

base currency means the currency which is the currency of the country of your residence or the currency in which you usually conduct business;

business day means Monday to Friday except for Public Holidays in England;

cleared funds means the amount of funds standing to the credit of the relevant account after deducting any sums due in settlement of payments of which we have notice or any sums that have been credited to your accounts (such as a cheque payment) which has not yet cleared (excluding payments in connection with a trade in **investments** which we have executed with or for you but not yet settled);

security number is the number used to authenticate you when accessing our **website** and/or **customer service centre**;

customer identification number (CIN) means the 10 digit unique number sent to you to enable you to telephone our **customer service centre** using your **security number**;

CIN is an abbreviation of customer identification number;

customer service centre means our service centre located in the UK which handles all telephone calls and **email** enquiries for services and products offered under the **agreement**;

communications means all **communications** between us by post or **secure e-message** including the sending of contract notes;

email means an **email** that is not sent or received or accessed from within our **website**;

foreign currency settlement account means your Euro and/or US Dollar settlement account and/or such other **foreign currency settlement accounts** as we may permit from time to time;

FSA rules means the rules of the Financial Services Authority;

HSBC Group means HSBC Holdings Plc, HSBC Bank plc and its subsidiaries, affiliates and **associates** from time to time;

IDIP means the HSBC InvestDirect International Portfolio offered by us, which comprises the currency settlement accounts and **investment account** and may also include such other accounts as we may offer you from time to time.

instruction is any request or **instruction** to us given via our **website**, telephone, or in writing including **instructions** to effect transactions which are conducted through HSBC InvestDirect International by use of your **security details**;

investment account means an account in which your **investments** will be held;

investment service is the service provided by us on our **website**. It allows you to access information and give us **instructions** in respect of your **IDIP**;

investment exchange means any exchange defined as such in **FSA rules**;

investments means all freely transferable equity and debt securities listed on the UK and US exchanges, unit trusts and investment products linked to an index which are listed in the relevant page of our **website** from time to time, but excludes derivatives;

linked supplier means a company which provides additional benefits or services to you under an arrangement with us;

market data means all securities prices, quotations, news (both financial and non-financial), company information and other information and facilities provided via our **website** or **customer service centre** by **market data providers**;

market data providers including, but not limited to the New York Stock exchange Inc., American Stock Exchange, Deutsche Borse, NASDAQ Stock Market, Inc., Dow Jones & Company, Inc., London Stock Exchange, FTSE International Limited, Nikkei, other exchanges, their affiliates and agents and other third party **market data providers** and members of the **HSBC Group**;

normal market hours means, in respect of an exchange and a day on which it is open for trading, the hours between which it is open for trading, details of which can be found on our **website**;

personal information means all the information you give to us or our group companies, to companies in the **HSBC Group** and to **linked suppliers** or which we obtain about you personally in connection with the **agreement** and account(s) you have with us;

fees means a specific page on our **website** which displays our current **fees** for the provision of services subject to the **terms**, our **fees** page will be amended from time to time;

residency requirement means the requirement to reside in a specified country, as we determine from time to time;

secure e-message means a **secure e-message** sent via our Internet Service;

security number means the number used by you in connection with the use of HSBC InvestDirect International Portfolio;

security details means the information which enables us to authenticate your identity including your **CIN** and **security number**;

settlement account(s) means any or all of your USD settlement account and/or your other currency cash accounts;

statements means the pages on our **website** and any **communications** sent by post or **secure e-message** listing the **investments** in your **IDIP** and relevant transactions;

supplemental terms means the various **supplemental terms** and conditions applicable to any other product or service that we may offer you from time to time which constitute part of the agreement;

terms means these Terms and Conditions including annexes. The **terms** are accepted by you when you accept the **terms** on the relevant screen page via the **investment service**. In addition, you agree that any use by you of the **investment service** will constitute your acceptance of the **terms**;

user ID means the 10 digit unique number sent to you to enable you to access our **website** using your **security number**;

we, us, and our means HSBC Bank plc;

website means the location on the world wide web from which HSBC Bank plc will offer its investment and banking service; and

you and your means the person who signed the **application**.

ANNEX 1: IMPORTANT INFORMATION

This **website** is owned, issued and maintained by HSBC Bank plc and is intended for persons who fulfil our **residency requirements**. It should not be accessed by persons who do not fulfil our **residency requirements**, in particular residents of the US and Canada. We are regulated by the FSA.

The prices of the **investments** referred to on our **website** and the income from them may go down as well as up and investors may realise losses on them. Investments denominated in currencies other than the **base currency** are exposed to changes in exchange rates which may have a negative as well as a positive effect on their value. Past performance is not indicative of future results. Levels and bases of taxation may change.

You may enter market orders and limit orders. A market order is an order to execute at the best

price reasonably obtainable. We will accept an order requiring us not to deal unless and until a price is specified by you can be obtained ("limit order") we will only accept these orders where the total to be paid or received by you for the transaction is £2,000 or more. You may determine the maximum period in which your limit orders will remain open. While we try to execute limit orders if the limit price is reached, we cannot guarantee to deal at your given price, particularly in fast moving or volatile markets. Where a corporate action takes place which we believe will affect the price of shares, we will use reasonable endeavours to contact you by **email**, letter or by other means, to advise you that corporate actions may trigger any market or limit order you may have placed with us.

The information contained on our **website** or in other documentation provided to you may not be accurate or up to date, is provided for general information use only, and should not be relied upon. Our **investment service** is an execution-only service. Nothing in our **website** or in other documentation provided to you constitutes investment, legal, accounting, or tax advice, nor a representation that any investment or strategy is suitable or appropriate to your individual circumstances. Before entering into an **agreement** in respect of an investment referred to on our **website**, you should consult your own investment advisors as to its suitability for you.

ANNEX 2: SECURITY INFORMATION

We are committed to the privacy and security of your information.

We keep your information secure by ensuring that:

- The public (pre-login) areas of our **website** do not contain any of your **personal information**
- The secure area of our **website** supports the use of strong encryption (128 bit SSL). To take advantage of this level of encryption, you will need to use a browser that supports that level of encryption. Current versions of the Microsoft Internet Explorer browser (5.5) US version and Netscape 6 support this encryption. Previous versions may require software updates in order to support this level of security. When you see the "closed padlock" icon on your web browser, this

indicates that this technology is operating.

- Our web servers are protected behind "firewalls" and our systems are monitored to prevent any unauthorised access. As an extra measure of security your data is stored on separate computers from those used to serve web pages.
- We will not send **personal information** to you by **email**. As the security of **email** cannot be guaranteed, you should only send **email** to us using the **secure e-messaging** facility within the InvestDirect International website. In particular, to prevent unauthorised access to your data you should take care when opening **emails** from sources that are not otherwise known to you.

ANNEX 3: COOKIES

In order to improve your use of our site, we use "cookies" to track your visit. A cookie is a small amount of data that is transferred to your browser by a web server. It functions as your identification card. We use cookies to track your visits to our **website**.

GENERAL

We will record your telephone calls to maintain the accuracy and quality of services. We may change the Privacy Policy from time to time at our sole discretion so please check it regularly by visiting our **website**. Please note that we cannot guarantee confidentiality of **emails** that are not sent using our **secure e-messaging** facility within the InvestDirect International website. If you believe that we have not complied with this Privacy Policy, you may contact us by phone or post.

OUR WEBSITE

The information contained on our **website** is intended for use by private customers and not for professional purposes and, by accessing our **website**, you represent that you are using it for such purposes. We reserve the right to terminate your access if this is not the case.

You access this **website** on your own initiative and without prior solicitation by us. Nothing in our **website** constitutes a solicitation or recommendation by us, or any other person to buy, sell or hold any security, financial product or financial service or otherwise for the purpose of making a public offer of the same.

Please read the Privacy Policy, Security Statement, and Terms and Conditions appearing within our **website** and to which your use of our **website** is subject.

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