

Service Terms and Conditions

These Service Terms and Conditions apply to certain payment services as described below, and are a Supporting Document (as defined under the Master Services Agreement) that forms part of the Relationship Documents. They should be read together with the Master Services Agreement, the Macau SAR Local Conditions and all other Relationship Documents.

Unless otherwise defined in this document, all capitalized terms used here shall have the meanings given to them in the Master Services Agreement.

Telegraphic and interbank funds transfers

Whenever the Customer requests the Bank to effect a telegraphic transfer ("TT") or an interbank funds transfer ("RTGS"), the following terms shall apply unless otherwise specified:

- a. The Bank may effect the instruction as TT or RTGS according to its routing arrangement, and may send it either literally or in cipher. The Bank accepts no responsibility for any loss, delay, error, omission or mutilation which may occur in the transmission of a message or for its misinterpretation when received.
- b. In the absence of specific instructions to the contrary, the TT / RTGS will be made in the currency of the country in which payment is to be made.
- c. While the Bank will try to give effect to the Customer's requests regarding charges relating to the TT / RTGS, the Bank only has discretion regarding its own charges. Where the Customer has requested to pay overseas charges or other bank's charges, the Bank will communicate such request but whether the beneficiary can receive the full amount of the TT / RTGS will depend on the practice adopted by the correspondent bank and/or beneficiary bank involved, which is beyond the Bank's control (and the Bank shall not be responsible or liable for the same).
- d. The Bank reserves the right to draw the TT / RTGS on a different place from that specified by the Customer if operational circumstances so require.
- e. Where the Bank is unable to provide a firm exchange rate quotation, the Bank shall effect the TT / RTGS on the basis of a provisional exchange rate which shall be subject to adjustment when the actual exchange rate is ascertained. Any difference between the provisional rate and the actual rate shall be debited/credited (as the case may be) to the Customer's account.
- f. Applications received by the Bank's remittances department by the cut-off times as stipulated by the Bank from time to time may not be processed on the same day. Processing of the applications will be subject to the availability of the relevant services, including (but not limited to) the availability of clearing system of the currency and country of the correspondent and/or destination banks.
- g. If a TT / RTGS is to be processed on a particular date, this processing date should be clearly specified by the Customer when the TT / RTGS application is submitted to the Bank unless otherwise specified by the Bank.
- h. Applications for same day value are subject to cut-off times depending on the geographical location of the destination and/or the requirements of the settlement banks. This may mean that the Customer's account will be debited before the value day, and the Bank will not be responsible for any interest expense or loss as a result.



- i. The Bank is not responsible to advise the Customer of:
 - i. any exchange control or similar restriction which may be imposed by the local laws or regulations in the country in which payment is to be effected and shall not be liable for any loss or delay as a result of the payment being subject to such control and restriction. The Customer is strongly advised to make his own enquiries;
 - ii. any charges which may be imposed by overseas bank or other bank and shall not be liable if such information cannot be provided.
- j. Where payment is to be made in favour of a beneficiary not maintaining an account with the Bank's overseas office or its agents, the Bank or its agent reserves the right to make payment by a means other than TT / RTGS in accordance with the customary or accepted banking practice in the country in which the payment is to be made. The Bank is not responsible to advise the Customer of the use of such other means or for any delay in effecting payment by such means arising from circumstances beyond the control of the Bank or its agent.
- k. The Bank reserves the right not to accept or otherwise reject an application for a TT / RTGS without giving reasons.
- l. Where the Bank has accepted a TT / RTGS application, it reserves the right not to process the TT / RTGS, with or without notice, if it is of the opinion that:
 - i. there is insufficient available funds; or
 - ii. the information given is incorrect, incomplete or is not sufficiently clear; or
 - iii. the processing thereof will be in breach of any applicable laws or regulations; or
 - iv. the Customer has specified additional instructions to the TT/ RTGS which are not provided for by or otherwise acceptable to the Bank.
- m. The Bank cannot be held liable for any loss or damage suffered by any person arising out of payment delay, rejection and/or return, or any delay by the Bank in processing the TT / RTGS or the Bank's decision in not processing the same for any one or more of the above reasons. The Bank reserves the right to deduct any charges imposed by the receiving bank from the payment amount or any of the Customer's accounts;
- n. Any stop payment instruction received by the Bank will be processed by the Bank on a commercially reasonable efforts basis only and the Bank cannot guarantee that such stop payment instruction can be successfully executed. The result of any stop payment instruction cannot be confirmed at the time of the Customer placing the stop payment instruction (whether or not at that time the Customer's account has already been debited) due to the time lapse between the receipt and processing of such stop payment instruction. The Bank will use commercially reasonable efforts to notify the Customer of the outcome of any stop payment instruction within 24 hours of receipt of such instruction by the Bank. The Bank cannot in any event be held liable for any loss or damage suffered by the Customer or any other person arising out of failure to stop any TT/RTGS notwithstanding receipt of a stop payment instruction by the Bank.
- o. The Customer accepts that there will be a time lapse between the submission of any payment application/transaction request involving currency conversion and the processing of such application/request, and that the prevailing exchange rates at the time of processing of such application/request (which may vary from the



exchange rates at the time of submission) will apply to such application/request. Any exchange rate provided by the Bank at the time of submission of payment application/transaction request is indicative only, and the actual exchange rate applicable will be the prevailing exchange rate at the time of processing of such application/request.

Depositing items and inward remittances

- a. The Customer may deposit cheques or cash (referred to as **"items"**) in the currency of the account using any means accepted by the Bank from time to time. Before depositing an item, the Customer must ensure that the item is on its face in order. This includes ensuring that an item is appropriately dated and signed, with the amounts in words and figures matched.
- b. The Bank has the right to require the Customer to provide details of an item when depositing it. The Customer will provide accurate and complete details. The Bank is entitled to rely on the details provided by the Customer in issuing a receipt and processing the item. The Bank also has the right to verify any details provided by the Customer after issuing a receipt for the item. If there is any discrepancy between a receipt and the outcome of the Bank's verification, the outcome of the Bank's verification is final and binding on the Customer. The Bank is entitled to adjust the applicable account accordingly.
- c. An item or inward remittance may be in Patacas or Hong Kong dollar or any other currency and may include a payment pursuant to the standing instruction of another person. The Bank accepts each inward remittance or item for deposit into an account subject to final payment or clearing. The Bank may not make the proceeds available for use until receipt of unconditional payment. If unconditional payment of an inward remittance or

item is not actually received by the Bank for any reason (including insufficient funds for effecting payment), the Bank has the right to debit the relevant account with the appropriate amount plus any charges.

- d. An inward remittance (whether in Patacas, Hong Kong dollars or in any other currencies) to an account may not be credited to the account on the same day if the related payment advice is not received by the Bank before the relevant cut-off times set by the Bank from time to time. No interest will accrue on any inward remittance before the funds are actually credited into the account.

Cheque books

- a. A cheque book will be issued to a Customer on opening an account in the currency of Patacas and/or Hong Kong dollars only.
- b. Applications for a new cheque book may be made through the Bank's automated teller machines, internet banking service or PhoneBanking Service, or by any other means acceptable to the Bank. The Bank, may at its discretion, refuse to issue a cheque book.
- c. The Bank may, upon receipt of a cheque book application request, deliver the required cheque book to the Customer by post according to the address record kept by the Bank. The Bank assumes no responsibility for any delay or loss caused by any mode of forwarding,
- d. Upon receipt of a new cheque book, the Customer should verify the cheque serial numbers, account number and name of the account holder printed thereon as well as the number of cheques before use. Any irregularities should be promptly reported to the Bank.



- e. Cheque books should be kept safe at all times and, as necessary, under lock and key so as to be inaccessible to unauthorised persons.
- f. When a signed cheque or a cheque book is lost or stolen, the Customer must immediately report such loss in writing to the Bank.

Use of cheques

- a. Cheques should be drawn in the currency of the account for Patacas and/or Hong Kong dollars only, that is, Patacas or Hong Kong dollars (as the case may be).
- b. When cheques are sent through the post or otherwise, the words "OR BEARER" should be deleted and the cheque crossed.
- c. The Customer should exercise care when drawing cheques to ensure their correctness and must not draw cheques by any means and/or in any manner which may enable a cheque to be altered or may facilitate fraud or forgery. The Customer should write the amount, both in words and figures in the spaces provided on the cheque, as close to each other and to the left-hand margin as possible so as to leave no space for insertions. The word "only" should be added after the amount stated in words. Only Arabic numerals should be used for figures.
- d. All cheques must be written in non-erasable ink or ball-point pen in Chinese, English or Portuguese and be signed in conformity with the specimen signature registered with the Bank.
- e. Any alteration on a cheque must be confirmed by the full signature of the drawer. The Customer acknowledges that the Bank will not be held responsible for losses arising from alterations which cannot be readily detected.
- f. The Customer agrees that:

- i. cheques drawn by the Customer which have been paid may, after having been recorded in electronic or other form as determined by the Bank, be retained by the collecting bank or Macau Clearing House ("MCH") for such period as is stated in the rules relating to the operation of the Clearing House for the related currency and after this, they may be destroyed by the collecting bank or MCH as the case may be;
 - ii. the Bank is authorised to contract inter alia with collecting banks and MCH in accordance with the terms of paragraph (a); and
 - iii. the Customer will be bound by the conditions printed on the inside cover of the cheque book and by other conditions in force from time to time.
- g. The Bank reserves the right to return cheques with insufficient funds in account, technical error or any other reasons and to impose a service charge in respect of returned cheques.

Stopping cheques

- a. The Customer may only cancel (countermand) payment of a cheque by giving instructions (the authenticity of which the Bank must be able to verify) to the Bank clearly identifying the cheque in question by reference to its cheque number before the cheque has been paid. For clarification:
 - i. if the Customer identifies the cheque in question by reference to other details in addition to the cheque number, the Bank shall not be responsible to ensure that other details correspond with the details of the cheque in question identified by number;
 - ii. if the Customer identifies the cheque in question by reference to other details instead of identifying the cheque number, the Bank shall not be required to take any action;



however, the Bank may in its discretion and without responsibility follow such instruction; and

- iii. if the Customer cancels (countermands) payment of a cheque by means of an instruction which cannot be verified by the Bank (not limiting to by telephone or facsimile instructions), the Bank shall not be required (obliged) to take any action; however, the Bank may in its discretion and without responsibility follow such instruction.
- b. When the Customer cancels (countermands) payment of a cheque by means of an instruction to the Bank which cannot be verified by the Bank and regardless of whether or not the Bank acts on such instruction, the Customer shall immediately confirm such instruction to the Bank in writing and in a manner so that the Bank may verify the authenticity of such instruction. The Bank shall only be bound to follow the instruction once it is authenticated and shall not be liable for having followed the unauthenticated instruction should that instruction be incorrect (erroneous), false (spurious), unclear (ambiguous).

Foreign currency accounts

- a. The Bank will not issue cheque books for current accounts denominated other than in Patacas or Hong Kong dollar. No cash cheques may be drawn on a foreign currency current account.
- b. Withdrawal instructions should be given by letter or by means of an authentication cable or telex sent through bankers overseas.
- c. No interest is payable on credit balances on current accounts denominated other than in Patacas or Hong Kong dollar.
- d. Withdrawals in foreign currency cash are subject to seven days' prior notice and availability of the currency in question.

Foreign Currency Cheques

- a. There may be risks involved in accepting foreign currency cheques as payment or settlement of transactions. In some countries, there are laws dealing with the handling of cheques sent for clearing or collection that will entitle a cheque to be returned even after clearing and the proceeds are paid to the payee. For example, for cheques drawn on US banks, the paying bank will have the right to seek refund of a cheque that is subsequently found to be fraudulently drawn, fraudulently endorsed or fraudulently altered within a period of up to 6 years. For a US Treasury cheque, this refund period may be indefinite. The Bank is entitled to seek repayment from the deposit Customers of any cheque required to be repaid or refunded. This right of recourse remains possible throughout the refund period mentioned above and is regardless of whether the cheque is sent for collection or purchased by the Bank.
- b. The deposit of any foreign currency cheques is accepted by the Bank subject to the following conditions:
 - i. In accepting cheques drawn on banks abroad, the Bank reserves the right to decide which cheques to purchase and which to send for collection. Where the Bank purchases the cheques, the Bank shall credit the deposit account (using the Bank's prevailing buying rate) with the proceeds immediately, under advice to the Customer, and subject to having recourse to the Customer in the event of dishonor. The purchase of cheques may be subject to the condition that the proceeds credited to the deposit account cannot be withdrawn for a period as determined by the Bank taking into account the required clearing time for cheques in question and which will be specified in the credit advice to be sent to



the deposit Customer in confirmation of the transaction.

- ii. Where the Bank sends a cheque for collection, this will be done subject to the rules contained in ICC Publication No. 522 and the proceeds of the cheque will only be credited to the deposit account once payment is received from the bank abroad.
- iii. In the event that cheques purchased are dishonoured or cheques collected are

subsequently liable to be repaid or refunded by applicable laws and regulations, the Bank will debit the deposit account with the value of the cheque as calculated using the Bank's prevailing selling rate or the original buying rate, whichever is higher, plus any charges.

- iv. Overseas charges (if any) will be debited to the deposit account under advice to the Customer.

