

# HSBC Unregulated FX Services Agreement



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**HSBC BANK PLC**

**GLOBAL MARKETS UNREGULATED FOREIGN EXCHANGE SERVICES AGREEMENT**

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**This Global Markets Unregulated Foreign Exchange Services Agreement is important and you should read it carefully to ensure you understand it fully (we recommend taking legal advice, if necessary) and retain a copy for your records as this Global Markets Unregulated Foreign Exchange Services Agreement will constitute a legally binding contract between HSBC Bank plc and you.**

## Part 1 – Introduction and purpose

### 1. Introduction

- 1.1 This agreement, together with any schedules, supplemental terms, accompanying documents and each confirmation recording the details of any transaction under it (together, as amended from time to time, the “**Agreement**”), sets out the terms and conditions of your relationship with the Global Markets business of HSBC Bank plc in relation to the Services.
- 1.2 Where you wish to use our electronic services, separate electronic service terms will be provided to you. Other than in the case of the HSBC Evolve Terms and Conditions (the “**Evolve Terms**”), in the event of conflict between such electronic service terms and this Agreement, this Agreement shall prevail. In the event of conflict between the Evolve Terms and this Agreement, the Evolve Terms shall prevail.
- 1.3 We may provide our Services in relation to products which are not regulated by the FCA and/or the PRA.

### 2. The Services that we will provide to you under this Agreement

#### 2.1 Our Services:

Subject to this Agreement and the limitations set out under Clause 2.2, HSBC may provide the Services to you in accordance with Applicable Law.

You acknowledge the general information on FX Transactions and certain types of Orders in Schedule 2 and agree that such information is included in Schedule 2 for general information purposes only.

#### 2.2 Limitations on the scope of our Services:

- 2.2.1 Our Services do not include investment advice or personal recommendations.
- 2.2.2 We do not provide any representations as to the suitability of any of our Services.
- 2.2.3 You are responsible for obtaining any legal, accounting, financial or tax advice you may need in determining whether any FX Transaction or Service is suitable for your needs or the needs of your business.
- 2.2.4 Any information provided to you in relation to this Agreement (including, but not limited to, any market information or research forecasts shared with you in relation to any proposed Order or otherwise) will be for your information only and is not in any way to be relied upon as financial advice as to the suitability of placing an Order or entering into any FX Transaction or Service.
- 2.2.5 Insofar as is permissible under the FCA rules, HSBC does not owe you any Fiduciary Duty or any similar obligation under this Agreement.
- 2.2.6 The foreign exchange rates used for the purposes of providing the Services will be the rates that are available to you as a customer of HSBC Bank plc (which will include our costs, fees and charges) and, as such, these rates may differ from published inter-bank rates.

- 2.2.7 All FX Transactions and Services shall be subject to Applicable Law, but so that:
- (i) in the event of any conflict between this Agreement and Applicable Law, Applicable Law shall prevail to the extent of the conflict,
  - (ii) HSBC shall be entitled to take such action or steps or omit to take any action or steps as it shall in its absolute discretion consider necessary to ensure compliance with Applicable Law, including, without limitation, the taking of any action to avoid or mitigate any loss arising as a result of a change in Applicable Law, and
  - (iii) all Applicable Law and any such action or step so taken by HSBC shall be binding upon you as if expressly set out herein or authorised hereby.
- 2.3 If you require financial services from us other than the Services, please contact your usual HSBC representative to discuss how we can accommodate your requirements.
- 2.4 Risk warnings:
- 2.4.1 We will provide you with a notice of risks related to our Services.
- 2.4.2 This information will be made available at <http://www.gbm.hsbc.com/financial-regulation/market-structure/mifid/policies-disclosures> or such other website as notified to you by us. You should read the notice carefully.

### 3. This Agreement

- 3.1 Please return a signed copy of this Agreement to us to confirm your acceptance of this Agreement. By executing this Agreement, you are also agreeing to each FX Transaction you enter into under relevant product terms being subject to this Agreement, as amended or supplemented from time to time.
- 3.2 Notwithstanding Clause 3.1, where you fail to sign this Agreement but begin or continue to use or instruct us on any Services or undertake business with us in relation to any Services, this will be taken as an indication that you have agreed to the terms of this Agreement on and from the date on which you receive this Agreement (as determined in accordance with Clause 31).
- 3.3 If you have any questions about this Agreement or about the Services we are offering under this Agreement, please contact your usual HSBC representative.
- 3.4 You agree that you will promptly supply us with any information and/or documentation that we may request from time to time to enable us to comply with: (i) any legal and regulatory requirements which may apply to us, including, but not limited to, the requirements under the Money Laundering Regulations 2007 (as amended or supplemented from time to time), or (ii) in the case of industry/market voluntary codes, any such codes with which we choose to comply.

### 4. Interpretation, effective date and interaction with other agreements

- 4.1 Words and phrases used within this Agreement which hold particular meanings are defined within this Agreement and are also listed in Schedule 1.
- 4.2 This Agreement shall take effect from the date on which you sign it (or, if Clause 3.2 applies, the date on which you receive this Agreement, which shall, in the absence of evidence to the contrary, be deemed to have taken place in accordance with the provisions of Clause 3.2 of this Agreement).

- 4.3 If there is a conflict between this Agreement and any product terms (including the Governing Master Agreement (as defined below)), the terms of the product terms will prevail to the extent that the conflicting term is specific to the relevant product. If there is a conflict between this Agreement and any specifically negotiated agreements (for example, a mandate letter), the terms of the specifically negotiated agreement will prevail.
- 4.4 Subject to Clause 4.3, this Agreement will govern the FX Transactions and Services provided by the Global Markets business of HSBC Bank plc regardless of any relationship or terms you have with other parts of the HSBC Group.
- 4.5 This Agreement only relates to the provision of the Services and, subject to Clause 4.3, replaces any terms of business we have agreed with you in relation to the Services previously.
- 4.6 Subject to Clause 4.3, this Agreement constitutes the entire agreement and understanding of the parties with respect to its subject matter. Any other terms you may have agreed with us in relation to the provision of any other services will be unaffected and will remain in full force and effect.
- 4.7 All references to EU Directives shall be deemed to be references to such Directives as implemented in the laws of the United Kingdom.
- 4.8 All references to EU Regulations shall be deemed to be references to such EU Regulation in the form retained in the laws of the United Kingdom in accordance with the EU (Withdrawal) Act 2018.

## 5. Information about us

- 5.1 HSBC Bank plc is a member of the HSBC Group, and will be trading through Global Markets and any renamed or successor business unit or division within HSBC.
- 5.2 The registered address of HSBC Bank plc is 8 Canada Square, London E14 5HQ, United Kingdom. HSBC Bank plc is registered in England, with company registration number 14259. HSBC Bank plc's email address for communications in relation to this Agreement is regulatory.business.support.europe@HSBC.com.
- 5.3 HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. HSBC Bank plc appears on the United Kingdom's financial services register with firm reference number 114216.
- 5.4 HSBC Bank plc's VAT identification number is GB 365684514.
- 5.5 The address of the Prudential Regulation Authority is Prudential Regulation Authority, 20 Moorgate, London EC2R 6DA, United Kingdom. The address of the Financial Conduct Authority is Financial Conduct Authority, 12 Endeavour Square, London E20 1JN, United Kingdom.

## 6. HSBC's capacity

In providing the Services pursuant to this Agreement, HSBC will be acting as principal.

## 7. Your capacity and authority

- 7.1 You warrant that you will act as principal. As a result, we, in our dealings with you, will assume that the FX Transactions you enter into are for you and no one else.

- 7.2 You represent and warrant that you have all necessary authorities and consents to enable you to enter into both this Agreement and any transactions pursuant to this Agreement.
- 7.3 HSBC may rely on any order, direction or instruction from you or any Person who is, or is believed by us in good faith to be, a Person designated or authorised by you to give instructions or Orders in relation to this Agreement. HSBC may accept and act without further enquiry upon such instructions and/or Orders. You will be responsible for, and bound by, any Order and any resulting transaction resulting from those instructions and/or Orders.

## 8. Financial crime requirements

- 8.1 Each Party will comply with all Applicable Law and has established and maintains policies and procedures reasonably designed to promote and achieve compliance with Applicable Law relating to Financial Crime.
- 8.2 Our dealings with you will be covered by certain Applicable Laws relating to, among other Financial Crime matters, client identification and money laundering which may require us to seek further evidence and confirmation of your identity and the business that you propose to undertake with us.
- 8.3 If satisfactory evidence of your identity and/or the identity of any underlying client has not been obtained within a reasonable period, we reserve the right not to accept or process any Order or FX Transaction or provide any Service or otherwise to cease to deal with you.
- 8.4 You will not directly or indirectly use the proceeds of any transaction concluded with or through us, or lend, contribute or otherwise make available such proceeds to any Person, (i) to fund any activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is, or whose government is, the target of country- or territory-wide Sanctions or (ii) in any other manner that would result in a violation of Sanctions by any Person.
- 8.5 You will not, in connection with any transaction concluded with or through us, violate any applicable anti-bribery laws and regulations, including, but not limited to, the U.S. Foreign Corrupt Practices Act, the UK Bribery Act (each as may be amended from time to time) and other analogous legislation in other applicable jurisdictions.
- 8.6 You shall: (i) to the extent permitted by Applicable Law, promptly report to HSBC any breach or suspected breach of any of your obligations or undertakings with respect to Financial Crime, (ii) make all reasonable efforts to rectify promptly such breach or suspected breach to the fullest extent practicable, and (iii) assist HSBC in investigating and remedying any such breach or suspected breach.
- 8.7 We shall have the right to suspend or terminate any transaction between us on immediate written notice should we become aware of a breach of your obligations under this Clause 8.
- 8.8 In order for HSBC to meet its Relevant Requirements, HSBC and any company within the HSBC Group may take any necessary action, including, without limitation, intercepting and/or investigating transactions on your accounts with HSBC (particularly those involving the international transfer of funds) including the source of or intended recipient of funds paid into or out of your accounts.
- 8.9 Exceptionally, the action described in Clause 8.8 may delay or prevent the carrying out of your instructions, the settlement of transactions over your accounts or HSBC's performance of its obligations under this Agreement.
- 8.10 Where reasonably practicable (and consistent with Applicable Law), HSBC will advise you of the reasons for, and likely length of, any delay described in Clause 8.9.

8.11 Without prejudice to Clause 24, neither HSBC nor any HSBC Group company shall have any liability (whether direct, indirect or consequential and including, without limitation, loss of profit or interest) caused in whole or in part by any actions which are taken by HSBC or any HSBC Group companies to comply with the Relevant Requirements (including, without limitation, those actions referred to in this Clause 8).

## 9. Deemed 2002 ISDA Master Agreement

9.1 In respect of each FX Transaction, unless you have executed (or are deemed to have executed under the terms of the trade confirmation (howsoever described and in any format) for such FX Transaction, the Evolve Terms or any other document) an ISDA Master Agreement or other master trading agreement with HSBC that governs such FX Transaction (the "**Governing Master Agreement**"), you agree that the trade confirmation for such FX Transaction shall supplement, form part of, and be subject to the ISDA Master Agreement (as defined below) between you and HSBC.

9.2 Until we execute and deliver an agreement in the form of the 2002 ISDA Master Agreement (the "**ISDA Form**"), the trade confirmation, together with all other documents referring to the ISDA Form (each a "Confirmation") confirming transactions (each a "**Transaction**") entered into between us (notwithstanding anything to the contrary in a Confirmation) will be deemed to supplement, form a part of, and be subject to the same single agreement in the form of the ISDA Form (except as expressly modified below) as if we had executed an agreement on the Trade Date of the first such Transaction between us in such form with the Schedule thereto specifying only that (a) the governing law shall be English law and (b) the Termination Currency shall be Euro (the "**ISDA Master Agreement**"). The "Automatic Early Termination" provision of Section 6(a) will not apply to you or HSBC provided, however, that where there is an Event of Default under Section 5(a)(vii)(1), (3), (4), (5), (6) or, to the extent analogous thereto (8), and the Defaulting Party is governed by a system of law that would not otherwise permit termination to take place, then the Automatic Early Termination provisions of Section 6(a) will apply. In the event of any inconsistencies between a Confirmation and the provisions of that ISDA Master Agreement, the Confirmation shall prevail for the purpose of the relevant Transaction to which such Confirmation relates.

9.3 Where the governing law of the ISDA Master Agreement is not the jurisdiction of incorporation of HSBC and/or location of the branch of HSBC (if relevant) (each such jurisdiction, a "**Relevant Jurisdiction**"), then:

9.3.1 The terms of any module to the ISDA Jurisdictional Stay Recognition Protocol applicable to each Relevant Jurisdiction are incorporated into and form part of the ISDA Master Agreement, and the ISDA Master Agreement shall be deemed a "Covered Agreement" for purposes thereof. In the event of any inconsistencies between the ISDA Master Agreement and such module, such module will prevail.

9.3.2 The terms of any ISDA Bail-In Protocol relating to each Relevant Jurisdiction (each, a "**Relevant Bail-In Protocol**") are incorporated into and form part of the ISDA Master Agreement, and the ISDA Master Agreement shall be deemed a "Covered ISDA Master Agreement" for purposes thereof. In the event of any inconsistencies between the ISDA Master Agreement and any Relevant Bail-In Protocol, the Relevant Bail-In Protocol will prevail.



## Part 2 – Transacting with us

### 10. Placing Orders with us

- 10.1 Following receipt of a request from you for any of the Services (and subject always to compliance with any credit limit applicable to you), we may, in our absolute discretion, either:
- 10.1.1 in respect of a request for a spot foreign exchange contract, forward or flexible delivery forward exchange contract: (a) provide a quote (which will include our costs, fees and charges and, in relation to spot foreign exchange, will also include the proposed Settlement Date), or (b) indicate that we are unable to provide you with a quote, and
  - 10.1.2 in respect of any Order, confirm or reject such request.
- 10.2 The rate that we quote may quickly change from one moment to the next due to the nature of the foreign exchange market. For this reason, if we provide a quote to you in respect of any such request, it will be available for immediate execution only and we will be under no obligation to make such quote available to you on a continuing basis.
- 10.3
- 10.3.1 If you agree to the terms of the quote provided to you in relation to a spot foreign exchange contract, forward or flexible delivery forward exchange contract pursuant to Clause 10.1.1, you would have entered into an FX Transaction, and will be bound by the terms of such transaction.
  - 10.3.2 If we accept your instruction in an Order, you will be bound by the terms of such Order.
- 10.4 You may place Orders with us by any approved means notified to you by us from time to time for these purposes (possible approved means include, but are not limited to, by telephone or via HSBC Evolve).
- 10.5 Where you place an Order with us, HSBC will act on instructions before receipt of any written confirmations and its records of communications shall be conclusive evidence of such instructions.
- 10.6 An Order will be legally binding on you and we shall have no responsibility for any error or inaccuracy in such Order. Therefore, before you place an Order with us, you must carefully review the details provided by you and (if applicable) the quote received from us.
- 10.7 Subject to this Agreement, you may request that an Order be amended or cancelled and we may, in our absolute discretion, amend or cancel such Order if it has not yet been executed. We do not guarantee that the original Order will not have been executed prior to such request and any such request to amend or cancel an Order will have no effect on any Order which has already been executed.
- 10.8 Once you have placed an Order with us, that Order will become immediately binding on you. However, you should not assume that we have executed the Order until we have informed you that we have done so.

- 10.9 We shall be under no obligation to execute your Order. For instance, we may not execute your Order in, without limitation, the following instances:
- 10.9.1 there is a lack of liquidity in the market,
  - 10.9.2 there is market disruption,
  - 10.9.3 Applicable Law, market practice or a rule or regulation would, in our reasonable opinion, prevent us from doing so,
  - 10.9.4 where you have insufficient credit, or
  - 10.9.5 where we are in doubt as to the authenticity of instructions.

Consequently, we shall not be liable to you where we have declined an Order or have been unable to execute an Order.

## 11. Settlement

- 11.1 Accounts shall be due for settlement and/or delivery on the date shown on the confirmation. It is your responsibility to ensure that money due to HSBC is paid and/or that documents are delivered to HSBC in good order by the due date for settlement.
- 11.2 If you make any payment under this Agreement which is subject to any deduction or withholding whatsoever, you shall pay to HSBC such additional amount as is necessary to ensure that the amount actually received by HSBC will equal the full amount HSBC would have received had no such deduction or withholding been made. Any payment made by HSBC under this Agreement which is subject to any deduction or withholding whatsoever will be made by HSBC less such deduction or withholding.
- 11.3 In respect of each FX Transaction, you will be obliged to pay the agreed amount of the relevant currency to us on the Settlement Date whereupon we will be obliged to pay the agreed amount of the other currency to you.
- 11.4 Subject to Clause 23.3, we shall make all payments due to you under this Agreement in full unless we are required by law to make deductions or withholdings in respect of any tax liabilities, in which case such payment to you will be less any amounts that we are required to deduct or withhold.
- 11.5 In placing an Order and entering into an FX Transaction, you will be deemed to have authorised us to credit or debit any amounts owed to you or owed by you (as applicable) on the Settlement Date to or from the bank account(s) provided by you in accordance with your standard settlement instructions or direct debit authority (as applicable and each as amended or supplemented from time to time), even if this results in such account being overdrawn or any credit limit applicable to you being exceeded.
- 11.6 Should you fail to make available sufficient funds on the Settlement Date, we may, in our absolute discretion, choose to terminate such FX Transaction pursuant to the terms of any Governing Master Agreement. Where we have not chosen to terminate such FX Transaction, we shall be entitled to charge interest in respect of such amounts due and owing by you from the Settlement Date until the date such funds are made available by you (at such rate of interest as is notified to you from time to time).

## 12. Confirmations, Trade Recapture and Related Information

- 12.1 Following execution of each FX Transaction carried out pursuant to this Agreement, we will provide the key details of the FX Transaction. Unless provided to you by a third party, we may

also subsequently provide you more detailed information regarding such FX Transactions. The way in which we provide you information will depend on the type of FX Transaction and the way in which it was transacted and we may agree or otherwise notify you in advance of how such information will be provided. On your request, we will supply information about the status of your FX Transaction. We may separately agree the content and timing of the information we provide.

- 12.2 Any question, matter or dispute in relation to the terms of an FX Transaction must be raised by you orally or in writing forthwith upon receipt by you of the information provided in respect of that FX Transaction, failing which, in the absence of manifest error, such information shall be conclusive and binding on you.

## Part 3 – Our policies, governance and commitments

### 13. Client money

- 13.1 Where funds are received by HSBC, they will be held in an account in HSBC's capacity as a CRD credit institution (which has the meaning given to it under the FCA rules but in broad terms it is a company whose business is to take deposits and to make loans, most banks (including HSBC) are CRD credit institutions).
- 13.2 This means that your money will be held by HSBC as banker and not as trustee or (as applicable) agent. As a result, such money will not be held in accordance with the Client Money Rules.
- 13.3 If HSBC fails, the Client Money Distribution and Transfer Rules will not apply to these sums and so you will not be entitled to share in any distribution under the Client Money Distribution and Transfer Rules.

### 14. Conflicts of interest

- 14.1 Situations can arise where our interests, or those of our staff, conflict with your interests or where your interests compete with those of our other clients.
- 14.2 We will make available to you a description of our Conflicts of Interest Policy through our website <http://www.gbm.hsbc.com/financial-regulation/mifid/policies-disclosures> or such other website as notified to you by us.
- 14.3 Our Conflicts of Interest Policy is a policy we maintain setting out the circumstances which may constitute or may give rise to a conflict of interest, the procedures we will follow and the measures we will adopt to prevent or manage such conflicts. Where you request, we will provide you with further information on our Conflicts of Interest Policy.
- 14.4 Whilst we take all appropriate steps to identify and to prevent or manage conflicts of interest, where we are not reasonably confident that our arrangements are sufficient to ensure that risk of damage to your interests will be prevented, we will disclose to you the nature of the conflict and the steps that we have taken to mitigate the risk before undertaking business with you.

### 15. Recording and monitoring of communications

- 15.1 In certain circumstances, communications in relation to this Agreement (including emails, voicemail, online chat conversations, telephone calls and website usage records) as well as paper correspondence such as envelopes or packages may be monitored, recorded or inspected (as appropriate) using monitoring devices or other technical or physical means. The monitoring of communications may take place where deemed necessary for purposes permitted by law from time to time, including, without limitation, to record evidence of business transactions and so as to ensure compliance with HSBC's regulatory obligations and its policies and procedures.

- 15.2 As required by Applicable Law, HSBC will record telephone conversations and electronic communications that result in FX Transactions or that may result in FX Transactions.
- 15.3 Where HSBC is required to record communications under the FCA rules, a copy of the recording of the communications referred to in Clause 15.2 will be made available to you on request for a period of five years from the date of the communication. The FCA may request that we retain certain or specific records for longer than five years and, if it does, the records retained as a result of such an FCA request will be available to you for a period of up to seven years.
- 15.4 Any telephone conversations and electronic communications that are recorded in accordance with this Clause may be recorded without use of a warning tone or other notification.
- 15.5 All recordings and other records shall be and remain our sole property. We may use such recordings and other records as evidence in court or other proceedings.

## 16. Costs and charges

- 16.1 You shall be responsible for any Costs and Charges and you agree that our pricing of FX Transactions will reflect such Costs and Charges that we could reasonably expect to incur in such provision of the Services.
- 16.2 If Costs and Charges are not incorporated in the pricing of an FX Transaction, you agree to pay HSBC, on demand, such Costs and Charges that we have properly incurred in relation to such FX Transaction. HSBC will be entitled to net such Costs and Charges against any payment due from HSBC to you under such FX Transaction.
- 16.3 You shall be responsible for payment of all taxes due and for the making of all claims in relation thereto.

## 17. Fees, commissions or non-monetary benefits that we may receive or pay

HSBC may pay or receive fees, commissions or non-monetary benefits to and from a company in the HSBC Group or other third party where permitted by the FCA rules.

## 18. Confidentiality and data protection

- 18.1 This Clause 18 shall apply unless otherwise agreed.
- 18.2 Each of the Parties to this Agreement will at all times keep confidential any Confidential Information it may acquire in connection with this Agreement except as otherwise permitted by this Agreement. **"Confidential Information"** means all information of a confidential nature (which is either marked "confidential" or is clearly by its nature confidential) disclosed by one Party to the other in connection with this Agreement together with Personal Data or Special Category Data (as those terms are defined under EC Directive 95/46/EC or the General Data Protection Regulation (EU) 2016/679, as applicable), relating to individuals such as your employees, representatives and agents and those of your affiliates, subsidiaries and third parties, including clients (if any).
- 18.3 The obligations in this Clause 18 shall not apply to any Confidential Information (other than Personal Data or Special Category Data) lawfully in a Party's possession otherwise than under or as a result of this Agreement or coming into the public domain otherwise than by breach by any Party of its obligations contained in this Agreement.

- 18.4 Notwithstanding the provisions of Clause 18.2, HSBC and any Connected Company may collect, use, transfer, disclose or otherwise process Confidential Information for the following purposes (the “**Purposes**”):
- 18.4.1 in connection with the provision of goods or services to you (for example: administration and operation of your account(s) both online and offline, account/product underwriting, research, statistical analysis, testing and benchmarking against HSBC and/or any Connected Company’s peer group),
  - 18.4.2 in the operations of HSBC or any Connected Company (including, without limitation, credit and risk management, hedging against risk and managing customer demand, whether expected or unexpected, system or product development and planning, insurance, audit and administrative purposes),
  - 18.4.3 to meet Compliance Obligations,
  - 18.4.4 to conduct Compliance Activity,
  - 18.4.5 to maintain HSBC’s overall relationship with you,
  - 18.4.6 as part of the disposal or reorganisation or the granting of security interests or encumbrances over the whole or any part of the business or assets of HSBC or any Connected Company, or the transfer or securitisation of any rights or obligations, and
  - 18.4.7 in accordance with Clause 18.8.
- 18.5 Confidential Information may be disclosed for the Purposes to any Connected Company (including their employees, directors and officers) as well as to the following recipients:
- 18.5.1 any legal or regulatory Authorities in response to a request from them,
  - 18.5.2 persons acting on your behalf, Infrastructure Providers, payment recipients, beneficiaries, account nominees, intermediaries, correspondent and agent banks, clearing houses, clearing or settlement systems, market counterparties, upstream withholding agents, swap or trade repositories, stock exchanges, and companies in which you have an interest in securities (where such securities are held by HSBC for you),
  - 18.5.3 any party to a transaction acquiring interest in or assuming risk in or in connection with the Services, and
  - 18.5.4 other financial institutions, credit reference agencies or credit bureaus, for the purposes of obtaining or providing credit references,
- 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. Such recipients may process, transfer and/or disclose Confidential Information for the Purposes.
- Wherever it is processed, Confidential Information will be protected by codes of secrecy and security with which HSBC, Connected Companies, third parties and their respective employees are required to comply.
- 18.6 HSBC, any Connected Company or any relevant third party may disclose Confidential Information if required or requested to do so by any tax authority or any other Authorities conducting tax investigations in any territory.
- 18.7 You undertake, represent and warrant that you have taken and will continue to take any steps needed (including, without limitation, notifying any relevant individuals and/or obtaining all

relevant consents) to facilitate processing of Confidential Information for the Purposes. This Agreement does not in any way restrict other rights HSBC or any Connected Companies may have now or in the future to otherwise process Confidential Information relating to you or relevant individuals under Applicable Law and under the terms of any other agreement with you.

- 18.8 Where permitted to do so, HSBC may from time to time use contact details that you have given us to provide you or your employees or those of any of your affiliates and subsidiaries with information about new services and promotions available from HSBC and Connected Companies and approved third parties by various means (including telephone, email, mobile messaging or other electronic communication) in accordance with your marketing preferences as notified to HSBC by you or your employees or those of any of your affiliates or subsidiaries.
- 18.9 Under data protection law, individuals may have the right to request access to or erasure of Personal Data relating to them, to restrict or object to its processing, and to require Personal Data to be corrected if inaccurate. Any individuals wishing to exercise such rights should contact their usual HSBC representative.

## 19. Pre-trade and post-trade publications

Without prejudice to Clause 18, you agree and acknowledge that HSBC has regulatory obligations in respect of any pre-trade or post-trade information relating to the execution of any transactions and HSBC may use this information for its own commercial purposes.

## 20. Feedback and complaints

### 20.1 Feedback:

We welcome any feedback on the quality of the Services provided to you under this Agreement. If you do have any feedback, please discuss this with your usual HSBC representative.

### 20.2 Complaints:

20.2.1 In the event that you have a complaint about the quality of HSBC's service to you under this Agreement, you may speak to your usual HSBC representative or, alternatively, you can write to the HSBC Global Markets Compliance Department at our registered address set out in Clause 5.2. Further details of the complaints-handling process, including information about our complaints management policy and the contact details of our complaints management function, are available on request.

20.2.2 We will try to resolve your complaint as quickly as possible and to your complete satisfaction. If you cannot settle your complaint, you may be entitled to refer it to the Financial Ombudsman Service.

20.2.3 The Financial Ombudsman Service is a free and independent statutory dispute-resolution scheme for financial services. Details of who are eligible complainants can be obtained from the Financial Ombudsman Service. The Financial Ombudsman Service's website is at <http://www.financial-ombudsman.org.uk> (or such other website as notified to you by us) and it can be contacted at:

The Financial Ombudsman Service  
Exchange Tower  
London E14 9SR  
Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
Telephone: 0800 023 4567 or 0300 123 9123

## 21. Know your client ("KYC") requirements

Our dealings with you will be covered by certain Applicable Laws relating to client identification and money laundering which may require us to seek further evidence and confirmation of your identity and the business that you propose to undertake with us.

- 21.1 In addition, where you act as an agent on behalf of one or more other persons, we may seek confirmation and/or evidence that appropriate evidence of the identity of such underlying clients has been obtained and recorded under procedures maintained by you.
- 21.2 If satisfactory evidence of your identity and/or the identity of any underlying client has not been obtained within a reasonable period, we reserve the right not to accept or process any Order or transaction in any Product, FX Transaction or Service or otherwise to cease to deal with you under this Agreement.



## Part 4 – General provisions

### 22. Termination of FX Transactions

#### Termination upon your request

- 22.1 You may request that we provide you with a quote for terminating an FX Transaction prior to the Settlement Date. Upon receipt of a request to terminate an FX Transaction, we may request further information from you, following which we will either:
- 22.1.1 indicate that we are unable to provide a quote, or
  - 22.1.2 confirm the price for the relevant termination.
- 22.2 If we provide a quote to you in respect of any such request, it will be available for immediate execution only and we will be under no obligation to make such quote available to you on a continuing basis.
- 22.3 We are not obliged to provide a quote for termination of an FX Transaction and may decline to provide a quote at any time in our absolute discretion. You must therefore be prepared to remain in an FX Transaction until its Settlement Date.
- 22.4 Following receipt of a quote from us to terminate an FX Transaction, it is your responsibility to decide whether you wish to terminate such FX Transaction. If you decide you wish to do so, you may, prior to the expiry of that quote, instruct us to terminate such FX Transaction. An instruction from you to terminate an FX Transaction will be irrevocable and binding on you.
- 22.5 Such terminated FX Transaction will be settled in accordance with Clause 22.6 and you will be responsible for any costs reasonably incurred by us in proceeding with the termination of such FX Transaction in accordance with this Clause 22.5.
- 22.6 Where an FX Transaction is terminated, the Exit Cost will be calculated by us.

**“Exit Cost”** means a termination payment that is owed by you to us or us to you, as the case may be, as a result of the early termination of an FX Transaction.

Following calculation of the Exit Cost, we will inform you of the Exit Cost that is owed by you to us or us to you, as the case may be, because of such termination whereupon such amount shall be due and payable.

Such Exit Cost may differ from the mid-market valuation (the mid-point between the bid price (the price that buyers are willing to pay to purchase such currency) and offer price (the price that sellers are willing to sell such currency)) of the FX Transaction due to factors including, but not limited to, credit-worthiness, market liquidity and timing of execution.

Should you request to terminate an FX Transaction before its Settlement Date (and we have, in our absolute discretion, provided you with a quote to terminate such FX Transaction), it may be that the current rate of exchange available to you as our customer has changed since you originally entered into the FX Transaction, such that the market value of the FX Transaction at the time that you request to terminate it is far less than the value of such FX Transaction at Order. In such circumstances, you would be required to pay a sum, which may be significant, to terminate such FX Transaction which reflects the costs and losses (including,

but not limited to, any Hedge termination costs) we would incur in terminating your FX Transaction under the then current market conditions as further described below.

- (i) One of the reasons that the Exit Cost could be significant, notwithstanding that no payments may have been made between us under the FX Transaction, is that when entering into an FX Transaction with you, we generally seek to protect ourselves from, inter alia, the risk to us in respect of such FX Transaction due to changes in the rate of exchange between the relevant currencies. We do this by taking one or more positions with one or more third parties and managing these positions from time to time (such position, a "**Hedge**"). A Hedge may be in respect of one FX Transaction with you or any number of our transactions with any number of our clients. If an FX Transaction with you is terminated, we will no longer need to manage such risk in respect of such FX Transaction, so we will need to terminate our Hedge or otherwise adjust our Hedge. When we do so, we will be impacted by market values and other factors, including, but not limited to, the availability of equivalent hedge positions and our own funding costs and creditworthiness, which might cause us to lose money. Where we lose money in such circumstances, we will seek to recover this loss from you as part of the Exit Costs.
- (ii) However, it is possible that we may not make any loss in terminating or adjusting our Hedge and indeed if the rate of exchange between the relevant currencies of an FX Transaction has moved in your favour (your position at such point commonly being referred to as 'in-the-money'), you may receive an exit pay-out from us.
- (iii) The market value of the FX Transaction immediately after execution will be negative even assuming zero movements in the then current rate of exchange available to you as our customer as it reflects an element of our profit margin, Hedging costs and other related Costs and Charges. As with all Exit Costs, you would not need to pay this initial market value to us unless you were to terminate immediately.
- (iv) We are unable to predict what the Exit Costs might be in the future, for example, at any particular time that the FX Transaction is terminated. This is because, as further described above, Exit Costs depend on a variety of factors at the time the FX Transaction is terminated. Please speak to us if you would like us to provide further information on the magnitude of Exit Costs.

22.7 Following payment of the Exit Cost, no further obligations shall be owed between us in respect of the early terminated FX Transaction.

### 23. HSBC's recovery of liabilities, losses and costs

23.1 Subject to Clause 4.3, any indebtedness or liability incurred by you to HSBC shall, in the absence of express written consent by HSBC to the contrary, be due and payable on demand.

23.2 All payments due to us under this Agreement shall be made free from, and without, set-off, withholding, counterclaim or deduction.

23.3 Without prejudice to any other right we may have, we may set off any amounts due from you under any FX Transaction or otherwise related to this Agreement against any amounts owed by us to you, whether or not such obligations are arising under this Agreement, present or contingent and irrespective of the currency of such obligation. If the obligations are in different currencies, we may convert either obligation at its then prevailing selling spot rate of exchange.

23.4 Without prejudice and in addition to any general lien, right of set-off or other similar rights which HSBC may be entitled to exercise over any of your FX Transactions, monies or other property, your monies or other property shall be subject to a general lien in HSBC's favour,

insofar as there remain any outstanding amounts due from you to HSBC in relation to liabilities arising under this Agreement.

- 23.5 If you default in paying any amount by the Settlement Date, HSBC shall be entitled (but only so far as consistent with the rules of the FCA) on such date to pay to the credit of, or as the case may be, debit to any account or accounts of yours with HSBC (or another member of the HSBC Group) the amount in question, together with any applicable interest (determined under Clause 11.6) and with or without the application of set-off in Clause 23.3, in the appropriate currency or, at HSBC's option, the equivalent thereof (at current market rates determined by us in our sole discretion) in any other currency or currencies in which any balance on such account or accounts may then be denominated.
- 23.6 In addition to HSBC's rights in Clause 23.3, HSBC shall have the right (but only so far as consistent with the rules of the FCA) at any time without notice to set off and/or combine and/or consolidate all or any of your accounts maintained with HSBC (or another member of the HSBC Group) in such manner as HSBC may determine.
- 23.7 Subject to Clause 24.1, you agree to indemnify us against all losses, costs and demands arising directly or indirectly from the provision of the Services hereunder, except to the extent that such losses, costs and demands are due directly to our or any of our directors', officers', employees' or agents' negligence, fraud or wilful default.
- 23.8 Nothing in this Clause 23 restricts our ability to take legal or other action to recover the debts caused by the non-payment of amounts due to us by you, whether under this Agreement or otherwise.

## 24. HSBC's limitation of liability

- 24.1 Nothing in this Agreement will exclude or limit any duty or liability that we may have to you under the FCA or the PRA rules or other regulatory requirements, or that applicable law does not allow to be excluded or limited.
- 24.2 Neither HSBC nor any of our directors, officers, employees or agents accepts any liability for any loss, costs, taxes or expenses suffered or incurred by you as a result of, or in connection with, the provision of the Services hereunder by us unless, and then only to the extent that, such loss, costs, taxes or expenses are incurred directly by you and are caused by proven negligence, fraud or wilful default on the part of HSBC or its directors, officers, employees or agents in the provision of such Services.
- 24.3 Where HSBC fails to take any action which in our opinion would breach a regulatory requirement or market practice, HSBC will not be liable to you.
- 24.4 In respect of any losses arising from any cause beyond our reasonable control and the effect of which is beyond our control to avoid or, any losses that we could not reasonably foresee when provided an instruction which we act upon, HSBC will not be liable to you.
- 24.5 In respect of any loss or damage to the extent that such loss or damage is indirect, consequential or special, HSBC will not be liable to you. This means that we will not be liable for various types of losses, including loss of: business, goodwill, opportunity, anticipated saving, or profit.

## 25. Representations and warranties

- 25.1 You represent, warrant and undertake to us on the date that you enter into this Agreement and on each date that you place an Order or enter into an FX Transaction that:

25.1.1 you are entering into this Agreement and placing an Order or entering into an FX Transaction as principal and, in respect of forward exchange contracts:

- (i) not for investment or speculative purposes, and
- (ii) in order to facilitate payment for identifiable goods, services or direct investment.

For further information as to what this means, please speak to your usual HSBC representative or refer to the FCA published guidance on this in the FCA's Policy Statement 17/14 on Markets in Financial Instruments Directive II Implementation – Policy Statement II, Pages 475 to 492 of the Conduct, Perimeter Guidance and Miscellaneous Provisions (MIFID 2) Instrument 2017 and Q31B-Q31O therein which includes examples, available from the following website: <http://www.gbm.hsbc.com/financial-regulation/market-structure/mifid> or such other website as notified to you by us.

25.1.2 you have taken into account and understand and accept the various risks associated with FX Transactions, including those set out in Clause 26.1,

25.1.3 you understand that, unless we agree otherwise, we are offering execution only Services pursuant to this Agreement and you have made your own independent decision to enter into this Agreement, place an Order or enter into an FX Transaction, including, but not limited to, whether an FX Transaction is suitable for you and whether an FX Transaction is appropriate or proper for your purposes, and you are not relying on any communication from us (oral or written) as investment advice or as a recommendation to place an Order or enter into any such FX Transaction under this Agreement,

25.1.4 all information provided by you or on behalf of you to us is true, accurate and not misleading and you will notify us as soon as possible in the event that there is a change to such information,

25.1.5 you have, and will comply with, all the necessary consents, licences and authorisations and powers to enter into and perform your obligations under this Agreement and in respect of each Order or FX Transaction, and you have taken all necessary actions to authorise such execution and performance,

25.1.6 you will, on demand by HSBC, deliver to HSBC copies of (or evidence of) any relevant consents and compliance with Applicable Laws and regulations as HSBC may reasonably require from time to time,

25.1.7 if you are an individual, you have reached the age of 18 years old and have full capacity to enter into this Agreement, to place an Order or enter into an FX Transaction, and

25.1.8 if you have separate legal personality, you are duly constituted or organised and validly existing and in good standing under the laws of England.

## 26. Your acknowledgements

26.1 In deciding whether to place an Order or enter into an FX Transaction pursuant to this Agreement, you acknowledge that you have considered and accepted that foreign exchange transactions carry risks, including, but not limited to, those set out below:

26.1.1 Credit risk:

FX Transactions entered into between you and us under this Agreement are on a principal to principal basis and are therefore subject to the risk that we fail to perform our obligations to you under this Agreement.

26.1.2 Market risk:

The performance and valuation of FX Transactions linked to foreign exchange rates will fluctuate due to market volatility which may be sudden and large and may be affected by other factors including, but not limited to, economic and political events.

When entering into an FX Transaction to protect yourself from the risk to you due to changes in the rate of exchange between two currencies or, in other words, to hedge an underlying exposure to foreign exchange rate fluctuations, you are responsible for determining the extent and nature of your underlying exposure, and the effectiveness of the FX Transaction as a hedge for such underlying exposure. Any mismatch between the underlying exposure and the FX Transaction may lead to under-hedging or over-hedging and a resultant exposure to changes in the rate of exchange between two currencies or, in other words, having an underlying exposure to foreign exchange rate fluctuations.

As markets in FX Transactions are subject to unforeseen fluctuations, it may be that at the relevant Settlement Date, the market rate is more favourable than the rate of exchange agreed between you and us for a particular Order. You will nevertheless be bound by the terms of such Order. Where you have placed an Order, we will not be liable to you where market conditions prevent us from executing such Order.

26.1.3 Illiquidity:

Where we accept an Order in relation to currencies that are or become illiquid, it is possible that execution or settlement of such FX Transaction will be affected by such illiquidity. In some cases, it may not be possible to execute or settle an FX Transaction in accordance with an Order.

While you may request that we provide you with a quote for terminating an FX Transaction, we are not obliged to provide a quote and may decline to provide a quote at any time in our absolute discretion. You must therefore be prepared to remain in an FX Transaction until its Settlement Date.

## 27. Netting of payment obligations

If on any date, amounts would otherwise be payable in the same currency by you to us, and by us to you in respect of two or more FX Transactions, then, on such date, your obligation and our obligation to make payments of any such amount will be automatically satisfied and discharged and, if applicable, replaced by an obligation upon the Party by which the larger amount would have been payable to pay to the other Party the excess of the larger amount over the smaller amount.

## 28. Redenomination

If a currency relevant to an FX Transaction is withdrawn or redenominated into another currency, we may replace the currency affected by such event with the replacement currency and make such adjustments to the rate of exchange, in each case as determined by us, and you shall pay us the amount of any costs reasonably incurred by us in securing a sufficient amount of the replacement currency in the market, which shall be by reference to then prevailing market rates.

## 29. Variation

HSBC may at any time vary or qualify any one or more of the terms of this Agreement by written notice to you in good time before such variation or qualification where it is practicable to do so. Such revised terms will become effective on the date specified in such notice and shall apply to FX Transactions entered into after the effective date specified in such notice (unless otherwise required by law or regulation) and by continuing to enter into FX Transactions you are agreeing to any such variation, supplement or qualification.

## 30. Transfer and assignment

### 30.1 General:

30.1.1 You may not transfer or assign any of your rights or obligations under this Agreement without the prior written consent of HSBC.

30.1.2 Subject to Clause 30.2, HSBC may not transfer or assign any of its rights or obligations under this Agreement without your prior written consent.

### 30.2 Transfer within the HSBC Group:

30.2.1 HSBC may, at any time, transfer all or any part of its rights and/or obligations under this Agreement to a Transferee if it has given you reasonable notice of the transfer (unless it is impracticable to give you such notice).

30.2.2 Upon the effective date of the transfer as set out in the notice (or otherwise where it was impracticable to give you such notice):

- (i) the rights and/or obligations of you and HSBC shall be transferred to the Transferee and you and HSBC will be released from further obligations to each other, and
- (ii) you and the Transferee will simultaneously acquire the same rights and assume the same obligations between yourselves as would have been acquired and assumed had the Transferee been an original party hereto instead of HSBC.

## 31. Contacting us

31.1 Communications in relation to this Agreement and the Services under it shall be in English.

31.2 Subject to Clause 31.3, you may generally communicate with us as through your usual HSBC representative as follows:

31.2.1 by post, personal delivery or in person at our registered office set out in Clause 5.2,

31.2.2 by telephone, and

31.2.3 where we agree, by email.

31.3 Where you are obliged to communicate in writing under this Agreement, you shall do so:

31.3.1 by post or personal delivery to our registered office set out in Clause 5.2, or

31.3.2 where we agree, by sending an email to an email address that we will provide you for the purpose from time to time.

31.4 Proving delivery:

In either Party proving service or delivery of the relevant communication, it shall be sufficient to prove that it was correctly addressed and was posted or, where it was delivered otherwise than by post, that it was delivered to the correct address or, where it was sent by electronic means, that it was transmitted to the correct number or email address as last notified by the relevant Party.

## 32. Provision of information

32.1 You agree that we may provide you with certain information disclosures in relation to the Services that we provide to you (whether addressed to you personally or addressed to all or some of our other clients) by way of a durable medium other than paper (such as by way of e-mail or a HSBC website notified to you).

32.2 This Agreement is drafted on the basis that you are not a “consumer” as defined in the E-Commerce Directive 2000/31/EC as may be amended from time to time (the “E-Commerce Directive”), (i.e. you are not an individual or, if you are, you are dealing in the course of your trade, business or profession). As a non-consumer, you hereby agree to the fullest extent permissible under the E-Commerce Directive that we shall not be required to make any disclosures or comply with any requirements which would otherwise be required by the E-Commerce Directive.

## 33. Circumstances outside of HSBC’s control

33.1 HSBC shall not be in breach of this Agreement if there is, and shall not be liable or have responsibility of any kind for any loss or damage incurred by you as a result of, any total or partial failure, interruption or delay in performance of its duties and obligations occasioned by circumstances outside of HSBC’s control.

33.2 Such circumstances may include, but are not limited to, any act of God, fire, act of government, state, governmental or supranational body or authority or any investment exchange and/or clearing house, war, civil commotion, terrorism, failure of any computer dealing system, interruptions of power supplies, labour disputes of whatever nature or any other reason (whether or not similar in kind to any of the above) beyond HSBC’s control.

33.3 Should an event described in Clauses 33.1 or 33.2 occur, HSBC shall have the right to terminate any FX Transaction affected by such event, subject to the terms of any Governing Master Agreement.

## 34. Illegality

If any provision or term of this Agreement or any part thereof shall become or be declared illegal, invalid or unenforceable for any reason whatsoever, such term, provision or part shall be divisible from this Agreement and shall be deemed to be deleted from this Agreement.

## 35. No waiver

Our failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise of that right, power or privilege or exercise of any other right, power or privilege.

### 36. Rights of third parties

- 36.1 Any company within the HSBC Group may enforce the terms of Clause 23 and Clause 29 in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.
- 36.2 Except as provided in Clause 36.1, a Person who is not a Party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement but this does not affect any right or remedy of a third party which exists or is available apart from that Act.
- 36.3 The rights of the Parties to this Agreement to rescind or vary this Agreement are not subject to the consent of any other Person.

### 37. Rights and remedies

The rights and remedies herein are cumulative and not exclusive of any rights or remedies provided by law.

### 38. Governing law and jurisdiction

- 38.1 This Agreement, and any non-contractual obligations arising out of or in connection with it, shall be governed by and construed in accordance with English law.
- 38.2 Each of the parties to this Agreement irrevocably agrees that the courts of England shall have exclusive jurisdiction to settle any suit, action or other proceedings relating to this Agreement, and irrevocably submits to the jurisdiction of such courts.



# Schedule 1

## Definitions

In this Agreement, the following words and expressions shall, unless the context otherwise requires, bear the following meanings given to them:

**"Agreement"** has the meaning given to that term in Clause 1.1,

**"Applicable Law"** means:

- (i) all applicable laws,
- (ii) all applicable regulations and requirements imposed by any competent regulatory, prosecuting, tax or Governmental Authority in any jurisdiction, domestic or foreign (including, without limitation, the FCA rules), or imposed by or arising under the constitution, rules, regulations, bylaws, customs, usages and interpretations of any exchange, trading system, trading venue or organised market on which purchasers and sellers of securities or other investment instruments are brought together, and any clearing house, settlement exchange or other service provided to facilitate clearing and settlement, and
- (iii) any agreement entered into with, or between, any competent regulatory, prosecuting, tax or Governmental Authority in any jurisdiction, domestic or foreign,

**"Authorities"** means any competent regulatory, prosecuting, tax or Governmental Authority in any jurisdiction, domestic or foreign,

**"Client Money Distribution and Transfer Rules"** means the FCA rules which set out the rights of clients for whom a firm holds money under the Client Money Rules in the event that that firm fails,

**"Client Money Rules"** means the rules of the FCA which set out the obligations of a firm when it holds money as a trustee on behalf of a client in connection with the firm's regulated business,

**"Compliance Activity"** means any activity performed by a Connected Company considered to be appropriate, acting reasonably, to meet Compliance Obligations relating to or in connection with the detection, investigation and prevention of Financial Crime, international and national guidance, relevant HSBC procedures and/or the direction of any public, regulatory or industry body relevant to any member of the HSBC Group,

**"Compliance Obligation"** means obligations of a Connected Company to comply with: (a) any applicable local or foreign statute, law, regulation, ordinance, rule, judgment, decree, voluntary code, directive, sanctions regime, court order or international guidance and HSBC's mandatory policies or procedures, (b) any demand from Authorities or reporting, regulatory trade reporting, disclosure or other obligations under law or (c) any Applicable Law or internal policies requiring HSBC to verify the identity of its customers,

**"Confidential Information"** has the meaning given to that term in Clause 18.2,

**"Conflicts of Interest Policy"** means a policy we maintain setting out the circumstances which may constitute or may give rise to a conflict of interest, the procedures we will follow and the measures we will adopt to prevent or manage such conflicts,

**"Connected Company"** means HSBC Holdings plc and, from time to time, any subsidiary thereof (as defined in section 1159 of the Companies Act 2006) or affiliated company thereof (as defined in the FCA rules) and (a) agents of any such Person, and (b) direct or indirect third party service providers of any of the foregoing Persons,

**"Costs and Charges"** means costs and charges in relation to FX Transactions and our Services (including, where relevant, broker commissions, taxes, settlement and other fees),

**“CRD Credit Institution”** has the meaning given to it under the FCA rules, but in broad terms it is a company which is established in the European Union and whose business is to take deposits and to make loans, most banks (including HSBC) are CRD credit institutions,

**“Evolve Terms”** has the meaning given to that term in Clause 1.2,

**“Exit Costs”** has the meaning given to that term in Clause 22.6,

**“FCA”** means the United Kingdom Financial Conduct Authority, or any successor regulator, which may regulate the provision of HSBC’s Services under this Agreement,

**“FCA rules”** or **“rules of the FCA”** means the rules, regulations and procedures of the FCA in force from time to time,

**“Fiduciary Duty”** means any duty where a financial institution holds, manages, oversees or has responsibilities for assets for a third party that involves a legal and/or regulatory duty to act with the highest standard of care and with utmost good faith. A fiduciary must make decisions and act in the best interests of the third parties and must place the wants and needs of the third party first, above the needs of the fiduciary,

**“Financial Crime”** means money laundering, terrorist financing, bribery, corruption, tax evasion, fraud, evasion of economic or trade sanctions, and/or violations, or attempts to circumvent or violate any laws or regulations relating to these matters,

**“FSCS”** means the Financial Services Compensation Scheme,

**“FX Transactions”** means FX spot and FX forward or flexible delivery transactions entered into by you (a) which are not for investment or speculative purposes, and (b) in order to facilitate payment for identifiable goods, Services or direct investment,

**“Governmental Authority”** means the government of any jurisdiction, or any political subdivision thereof, whether provincial, state or local, and any department, ministry, agency, instrumentality, authority, body, court, central bank or other entity lawfully exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government,

**“Governing Master Agreement”** has the meaning given to that term in Clause 9,

**“Hedge”** has the meaning given to that term in Clause 22.6,

**“HSBC”** means HSBC Bank plc,

**“HSBC Group”** means the group of companies, the ultimate holding company of which is HSBC Holdings plc,

**“Infrastructure Provider”** means any third party providing shared market infrastructure necessary for a party to perform its obligations under this Agreement including any communications, clearing, settlement or payment system, or intermediary or correspondent bank,

**“ISDA Form”** has the meaning given to that term in Clause 9.2,

**“ISDA Master Agreement”** has the meaning given to that term in Clause 9.2,

**“OFAC”** means the Office of Foreign Assets Control of the US Department of the Treasury,

**“Order”** means any order, including any indication of interest, response to a request for quote, bid, offer or instruction or request from you or any person who is, or is believed in good faith to be, a person designated or authorised by you to give instructions or requests to execute FX Transactions.

**“Party”** means a party to this Agreement,

**“Person”** means an individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership,

**“PRA”** means the United Kingdom Prudential Regulation Authority or any successor regulator which may regulate the provision of HSBC’s Services under this Agreement,

**“Purposes”** has the meaning given to that term in Clause 18.4,

**“Relevant Bail-In Protocol”** has the meaning given to that term in Clause 9.3.2,

**“Relevant Jurisdiction”** has the meaning given to that term in Clause 9.3,

**“Relevant Requirements”** means, in respect of HSBC, HSBC’s legal and regulatory obligations, any request of a public or regulatory authority or pursuant to internal policies applicable to HSBC in relation to the prevention of fraud, money laundering, terrorism or other criminal activities or the provision of financial and other Services to sanctioned persons,

**“Sanctions”** means the sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by any of the Sanctions Authorities,

**“Sanctions Authorities”** means:

- (i) the United States of America,
- (ii) the United Nations,
- (iii) the European Union,
- (iv) the United Kingdom,
- (v) Hong Kong,
- (vi) the jurisdiction of your incorporation or establishment, or
- (vii) the respective Governmental Authorities of any of the foregoing, including, without limitation, OFAC, the US Department of State and Her Majesty’s Treasury,

**“Services”** means HSBC dealing in relation to FX Transactions with you in accordance with Applicable Law.

**“Settlement Date”** means the agreed payment date,

**“Transaction”** has the meaning given to that term in Clause 9.2,

**“Transferee”** means any entity within the same group as HSBC, to whom HSBC transfers all or any part of its rights and/or obligations under this Agreement,

**“we”, “us” or “HSBC”** means HSBC Bank plc, acting through its Global Markets business, and

**“you”** means the person or persons entering into this Agreement in their capacity as clients of HSBC.

## Schedule 2

### Disclosures

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The disclosures below contain general information relating to FX Transactions and certain Orders, and is included in this Schedule 2 for your general information and discussion purposes only. Please contact your usual HSBC representative if you have any questions on the disclosures in this Schedule 2.

The information below is provided to you on a strictly non-advised basis and does not constitute a personal recommendation or a solicitation of any FX Transaction, and has been prepared without taking account of your objectives, financial situation or needs. You may therefore wish to obtain independent financial advice.

### General Information on FX Transactions

**Spot foreign exchange contract.** The purchase or sale of a specified amount of a specified currency at the current rate of exchange available to you as our customer, to be delivered on the Settlement Date. The Settlement Date for most major currencies is two business days after the FX Transaction is entered into. It is possible to have a Settlement Date on the same day or next day, subject to availability and currency cut-off times. In such circumstances, the quote that we provide you with for such spot foreign exchange contract will take account of an adjustment based on the funding costs of the relevant currencies.

To provide you with a quote for a spot foreign exchange contract, we will need to know the amount and the currencies that you would like to buy or sell.

**Forward exchange contract.** The purchase or sale of a specified amount of a specified currency at an agreed rate of exchange to be delivered on an agreed future Settlement Date, which will be more than two business days after entering into the FX Transaction. The quote that we provide you with for such forward exchange contract will be based on the current rate of exchange available to you as our customer plus or minus a forward adjustment based on the interest rate differential of the relevant currencies.

To provide you with a quote for a forward exchange contract, we will need to know the amount and the currencies that you would like to buy or sell and the proposed Settlement Date.

**Flexible delivery forward exchange contract.** The purchase or sale of a specified amount of a specified currency at an agreed rate of exchange to be delivered on one or more Settlement Date(s) falling within an agreed period which will be more than two business days but less than 12 calendar months after entering into the FX Transaction. Periods in excess of 12 calendar months may be possible, subject to additional credit and/or legal terms. Please contact your usual HSBC representative to discuss how we can accommodate your requirements.

To provide you with a quote for a flexible delivery forward contract, we will need to know the amount and the currencies that you would like to buy or sell and the proposed period during which you would like the Settlement Date(s) to take place.

Once we have executed your Order for a flexible delivery forward contract, you will need to inform us of the Settlement Date(s) during the agreed period on which you would like to take delivery of the specified amount of the specified currency.

### **General Information on Certain Types of Orders**

The example Orders below are not exhaustive. Please contact your usual HSBC representative to discuss other types of Orders.

**Take-profit order.** An instruction for the purchase or sale of a specified amount of a specified currency at a specified rate of exchange, which is better than the current market rate of exchange at the time of such instruction. Subject to market conditions and regulatory constraints, we will attempt to execute your order on a reasonable endeavours basis.

To provide an instruction for a take-profit order, you will need to tell us the amount and the currencies that you would like to buy and sell and the rate of exchange at which you would like us to execute such order.

You should be aware that it may not be possible to execute a take-profit order at the agreed rate of exchange, whether in whole or in part. In such circumstances, we will use reasonable endeavours to execute as much of your order as is reasonably practicable at the agreed rate, which may result in your order being only partially filled or not filled at all.

**Stop-loss order.** An instruction for the sale or purchase of a specified amount of a specified currency at a specified rate of exchange, which is worse than the current market rate of exchange at the time of such instruction. Subject to market conditions and regulatory constraints, we will attempt to execute your order on a reasonable endeavours basis.

To provide an instruction for a stop-loss order, you will need to tell us the amount and the currencies that you would like to buy or sell and the rate of exchange at which you would like us to execute such order.

You should be aware that it may not be possible to execute a stop-loss order at the agreed rate of exchange, whether in whole or in part. In such circumstances, we will use reasonable endeavours to execute such order as close as reasonably practicable to the agreed rate, but you should be aware that such rate of exchange could be considerably worse than the agreed rate of exchange.

This Agreement has been entered into on the date of the Client's signature below (subject to Clause 3.2)

**SIGNATORIES**

**HSBC Bank plc**

**MP6I5ZYZBEU3UXPYFY54**

Name :

**Chris Dickens**

Title :

**COO EMEA Global Markets**

Date :

Signature :



Name :

Title :

Date :

Signature :

Name :

Title :

Date :

Signature :