

## **Terms and Conditions for the Wealth Management Services of the Bank**

The Bank offers a broad range of Wealth Management Services to its Customers, including investments in Mutual Funds and investments in discretionary Portfolio Management Services (PMS), Structured Debt Securities or Market Linked Debt Securities and Alternative Investment Funds (AIF) on a referral basis through other entities. Any Customer who desires to avail Wealth Management Services from the Bank shall be bound by these Terms and Conditions and any modifications thereto from time to time. The Customers are requested to read and understand these Terms and Conditions before they start availing the Wealth Management Services.

### **(1) Definitions:**

Unless the context otherwise requires, the following expressions shall have the meaning assigned to them hereunder:

- **'Alternative Investment Fund' or 'AIF'** means a fund established or incorporated in India under the provisions of Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 and all amendments made thereto from time to time
- **'AMFI'** means Association of Mutual Fund in India
- **'Asset Management Company' or 'AMC'** means the asset management company appointed as the fund manager for Schemes of a Mutual Fund, whose Units are distributed by the Bank to the Customer
- **'Designated Bank Account'** means your savings or current account with the Bank that is designated by You for the purpose of investments in Mutual Funds and/or Referral Products. Any debits or credits arising from the investments in Mutual Funds and/or Referral Products would be carried out in the Designated Bank Account
- **'Instruction'/'Letter of Instruction'/'LOI'** means instruction from the Customer for transacting in Mutual Funds, received by the Bank either in writing (in the Bank's prescribed format) or through any other medium of communication including internet banking, mobile application, telephone, facsimile message, e-mail, etc., or any other electronic/digital mode as may be agreed by/acceptable to the Bank from time to time
- **'KYC Registration Agency (KRA)'** means an entity registered with SEBI, which is authorised to perform Know Your Customer (KYC) functions as prescribed by SEBI
- **'Mutual Fund' or 'MF'** means, a trust set-up under the provisions of the Indian Trusts Act, 1882 and registered with SEBI under SEBI (Mutual Funds) Regulations, 1996 and all amendments thereto made from time to time
- **'Non-Whitelist Mutual Fund' or 'NWL'** means, Mutual Funds which are available to Customers to invest only on a 'Do It Yourself' basis, on our online platform (Internet Banking and/or mobile application), without any recommendation or advice from the Bank. The Bank shall not accord specific Product Risk Ratings to these Mutual Funds
- **'Offer Document'** means any document(s) by which the Mutual Fund invites public for subscription to

the Units of its Scheme(s), which includes Scheme Information Document (SID), Statement of Additional Information (SAI), Key Information Memorandum (KIM) and addendums/amendments thereto from time to time. The Offer Documents also cover the details relating to the constitution of the Mutual Fund/AMC and the terms and conditions governing the Units of the Schemes of Mutual Fund, which are binding on the Customers subscribing to such Units

- **'Portfolio Management Services'** or **'PMS'** are provided by the portfolio manager duly authorised by the Securities and Exchange Board of India (SEBI) under the SEBI (Portfolio Managers) Regulations, 2020 and all amendments made thereto from time to time
- **'Referral Arrangement'** means where the Bank refers/introduces its Customers to the Portfolio Manager/Investment Manager/issuer or a distributor to invest in Referral Product(s) offered by the Portfolio Manager/Investment Manager/issuer
- **Referral Product** means such Products launched and offered by a Portfolio Manager/Investment Manager/issuer, which the Bank, subject to its internal policies and processes, decides to make available to its Customers by virtue of referral
- **'Registrar'** means any person or entity appointed by the AMC/Mutual Fund to manage all aspects of or related to servicing the Customers with respect to the Scheme(s) of the Mutual Fund
- **'Regulatory Authority'** means and includes SEBI, The Reserve Bank of India, AMFI, and/or any other statutory/regulatory/judicial authority constituted under applicable laws/regulations of India from time to time
- **'SEBI'** means The Securities and Exchange Board of India
- **'Scheme'** means any scheme formulated and floated by a Mutual Fund from time to time and shall mean each individual scheme of the Mutual Fund
- **'Structured Debt Securities or Market Linked Debt Securities'** means debt securities that have an underlying principal component and issued with market linked returns obtained through exposures on exchange traded derivatives or MIBOR, GDP, inflation rate, underlying securities/indices etc. with coupon linked to a benchmark differ from plain vanilla debt securities
- **'Systematic Plans'** means and includes Systematic Investment Plans (SIPs), Systematic Transfer Plans (STPs) and Systematic Withdrawal Plans (SWPs) offered by various Mutual Funds
- **'Terms and Conditions'** means the Terms and Conditions provided herein, which are applicable to investment related services offered by the Bank to the Customers including any amendments made thereto from time to time which will be displayed on our website, [www.hsbc.co.in](http://www.hsbc.co.in) ('Website')
- **'Unit'** means the interest of the Customer in the Scheme, consisting of each Unit representing one undivided share in the assets of that Scheme as evidenced by a unit certificate/account statement
- **'We'** means the **'Bank'** i.e. The Hongkong and Shanghai Banking Corporation Limited, a company incorporated under the Companies Ordinance of the Hong Kong Special Administrative Region (HKSAR), having its Registered Office at 1, Queen's Road Central, Hong Kong and having its India Corporate Office at 52/60, Mahatma Gandhi Road, Fort, Mumbai - 400 001
- **'Wealth Management Services'** means offering and facilitating such services which enables the

Customer to invest in Mutual Funds and to invest in Portfolio Management Services (PMS), Alternative Investment Funds (AIF) and Structured Debt Securities or Market Linked Debt Securities referred by the Bank on a reverse enquiry by you to other entities or any other investment products which are distributed or referred by the Bank

- **‘Wealth Shopping Cart’** means a list of Mutual Fund Schemes added under the tab of Wealth Shopping Cart on the Banks online platform pursuant to your investment planning discussions with us based on your financial needs, risk profile, investment objectives and other information provided by you to us
- **‘Whitelist Mutual Fund’ or ‘WL’** are Mutual Funds which have undergone internal assessments by the Bank and are accorded specific Product Risk Ratings. Such Mutual Funds are offered to Customers to invest, both pursuant to investment planning discussions and on a ‘Do It Yourself’ basis on our online platform
- **‘You’** means the ‘Customer’ who is an existing accountholder of the Bank and has availed the Wealth Management Services

## **(2) Scope of Services:**

We reserve the right to suggest/recommend from time to time a range of Whitelist Mutual Funds, which are available with us under our Wealth Management Services, that we feel are likely to be suitable for you based on your financial needs, risk profile, investment objectives and other information provided by you to us, pursuant to your investment planning discussions with us.

Our suggestion/recommendation, will not:

1. take into account your existing assets. You will need to define on your own the suitable amount to invest in each Mutual Fund and ensure sufficient diversification of your overall assets and an acceptable level of concentration to, for example, a single product, issuer, or type of investments.
2. take into account our market views. You will be solely responsible for defining the construction and composition of your investment portfolio at all times.

The decision to invest in products recommended by us will finally rest with you and we shall assist you in the processing of your investment based on your specific transaction Instructions. However, if you invest in a product without a recommendation from us, either through our online platform or otherwise, you are requested to review all the product literature and do an independent assessment of the product features and the risk factors involved therein, prior to your investment. You have the right not to divulge your information to us. However, if you do not divulge your information to us, our ability to recommend products, which are likely to be suitable for you, may be restricted. You may also choose not to follow the recommendation provided by us and invest in a product of your own choice subject to availability of that product with us. Such transactions will be deemed as ‘Execution Only’ transactions.

We shall assist you in the processing of your specific transaction instructions in Whitelist Mutual funds either by submission of a duly signed Letter of Instruction, in the format prescribed by the Bank, as more particularly described below, or by submission of an Instruction through our online platform at your own risk and volition as an ‘Execution Only’ transaction. However, submission of an Instruction by you through the Wealth Shopping Cart functionality on the online platform, shall not categorise the transaction as ‘Execution Only’ transaction.

We also offer investment options to you in NWL Funds. Your transaction in NWL Funds shall be made as 'Execution Only' and the decision to invest in the NWL Funds shall be at your own risk and volition. Any assistance provided by the Bank for execution of such transactions in NWL Funds are not an endorsement from us that the said transaction or the Scheme is suitable for you.

In our capacity as a distributor of Mutual Funds, we do not monitor your holdings in Mutual Funds or whether these are suitable for you on an ongoing basis, so we do not provide advice to you to redeem/sell them. You should be guided by your investment philosophy, investment objective, liquidity preference and risk tolerance while taking any decision to stay invested or to redeem your investments. If you decide to sell your Mutual Fund holdings, we shall assist you in processing your redemption/sale transaction, based on your specific transaction Instructions.

We may conduct a telephonic confirmation, on a risk based criteria as per our internal policies, over a recorded line prior to processing an Instruction. Such Instruction(s) will be processed by us after successful completion of such a telephonic confirmation. You may provide an alternate contact number which will be used by us for the telephonic confirmation and can also choose to update the alternate number in our records. We shall not be liable, in any manner whatsoever, for any losses, damages, costs, expenses, etc. arising out of any delay in relaying the Instruction or non-execution of Instructions, if the telephonic confirmation is not completed successfully before the cut-off timing (please refer format of Letter of Instruction posted on our Website for details) on the day the Instruction is received.

We will endeavour to only refer you to providers/issuers of discretionary Portfolio Management Services, Structured Debt Securities or Market Linked Debt Securities and investment in schemes of Alternative Investment Funds on a reverse enquiry by you.. Accordingly, we will refer you to portfolio managers ('Portfolio Managers') for availing discretionary portfolio management services, with underlying investment in direct equities and other securities and introduce you to investment manager(s) ('Investment Managers') to enable you to invest in schemes of Alternative Investment Funds basis a reverse enquiry by you. We will also endeavor to refer you to issuers or distributors of Structured Debt Securities or Market Linked Debt Securities basis an interest evinced by you and on your reverse enquiry.

The services proposed to be provided by the Bank under this clause shall hereinafter be referred to as the **("Services" or "Wealth Management Services")**.

### **(3) Our Commitment:**

- We will ensure that, we shall provide Wealth Management Services to you in compliance with applicable laws/regulations stipulated by any Regulatory Authority from time to time, and all investment products we distribute or refer shall be in accordance with such laws, rules and regulations
- We will endeavour to provide best possible after sales service to you, including, giving reminders for SIP and date of maturity, providing latest Net Asset Value (NAV) and periodical information on the performance of the Scheme/products in which you have exposure. Further, we will also endeavor to provide consolidated statements and/or analytical statements of your investments including statements for investment in Portfolio Management Services, Structured Debt Securities or Market Linked Debt Securities and Alternative Investment Funds offered by the Bank on a reverse enquiry by you, through other entities on a referral basis, where the portfolio Managers ,Investment Managers and Issuers provide the details of such holdings
- We will disclose details of all commissions/other fees received, if any, from Mutual Fund(s)/AMC(s) for marketing/distributing their products as well as the referral fees received. The same shall be available on our Website

- We may, at regular intervals, educate you by way of advertisement/notice board/information on our Website/distribution of pamphlets, etc., the benefit of the products distributed by us, unless you have opted not to receive such information
- Mutual Fund Risk-o-Meter of each Scheme of Mutual Fund is defined by the respective Mutual Fund house/AMC as guided by SEBI. Risk-o-meter is intended to provide you an easy understanding of the kind of Scheme you are investing in and associated risk. The Bank updates the Risk-o-Meter as and when the information is published by AMC in public domain using batch update approach which could, result in a lag in updating the Risk-o-meter for the Schemes on our systems and documents. You should refer to Risk-o-Meter published by the AMCs on their respective websites for the Mutual Fund Schemes in consideration, prior to investing
- We will provide detailed Terms and Conditions of the product(s), which is/are being offered to you
- When you avail a banking service or Wealth Management Service from us, we will not compel you to purchase/subscribe to any third party product as a quid pro quo

#### **(4) Customer Declarations and Warranties:**

- You acknowledge that, we review and refresh the suite of Mutual Funds offered by us basis various parameters, such as customer demand, return, fund size, fund management team, risk, etc. As a part of this process, Mutual Fund Schemes are on-boarded, discontinued or placed on 'hold' for fresh investments from time to time. Where any Schemes are placed on hold or discontinued, no fresh investments will be allowed therein, including Systematic Plans, through our Wealth Management Services. However, your existing investments in such Schemes will remain unchanged and you can continue to hold them or redeem them, at your discretion, subject to the terms of the respective Offer Documents. If you wish to make any new investment in any Scheme, which is placed on hold or discontinued by us, you may reach out to the AMC directly. Information about the list of Schemes that we offer, including the Whitelist Mutual Funds and Non Whitelist Mutual Funds, is made available on our online platform
- You understand and agree that we shall act only on specific Instructions provided by you and shall forward the same to the AMC/MF or its Registrar or any other agency as directed by the AMC/MF for processing such Instructions. We shall exercise no discretion whatsoever and no action or lack thereof on our part shall be construed as an investment decision on your behalf. You understand and agree that we are not your agent and/or constituted attorney. You are required to consult your own legal, financial, accounting and tax advisors prior to instructing us to execute any Instruction for transaction in relation to your investments
- You acknowledge that you have been provided with and agree and undertake to read and understand the following documents prior to making an investment decision:
  - a. Wealth Management Services Guide;
  - b. Generic Key Features Document for the investment product (and product specific key feature document where applicable);
  - c. HSBC's Approved Product List with Product Risk Rating for the relevant Whitelist Mutual Funds;
  - d. Details of commission (in the form of trail commission or any other mode) payable to us for the different Schemes of various Mutual Funds distributed by us.

- You agree and undertake that you shall read/refer to the respective Offer Documents and the Risk-o-Meter published by the AMCs on their websites, for the Mutual Fund Scheme under your consideration, prior to entering into any transaction in Mutual Funds
- You acknowledge that transactions in any Scheme of Mutual Fund shall be subject to the Terms and Conditions laid down by the MF/AMC in the respective Offer Documents and the same shall be binding on you with respect to your transactions. You acknowledge and agree that the decision to accept/reject any transaction Instruction rests with the MF/AMC. You shall not hold us liable for any loss or damage sustained by you on account of any rejection of any Instruction by the AMC or due to any error, delay, failure, etc., by the AMC/Registrar to process your transaction Instruction
- You acknowledge and understand that we will undertake appropriate customer due diligence measures before offering Wealth Management Services to you. Your Permanent Account Number (PAN) and/or any other details as may be required under applicable laws/regulations or the respective Mutual Fund/AMC is required to be quoted in the documentation for your transactions in Mutual Funds. You also need to comply with the KYC formalities for investing in Mutual Funds and proof of the completion of KYC formalities is also required to be submitted. From time to time, any and all the changes in the legislative and regulatory guidelines shall be applicable to your investments. Your Instructions for any transaction will not be processed in case you do not comply with these requirements
- If you have opened your Wealth Management Services Account through our online platform, you acknowledge and agree that we would be required to share your KYC information such as identity (name, PAN, age, etc.), and address with the respective Mutual Fund/AMC/Registrar for the purpose of validation and to comply with the KYC formalities under applicable laws/regulations. Where any transaction Instructions are submitted offline i. e. with wet signatures, the signature available in your KYC records would be used by the Mutual Funds/AMCs/Registrar for signature verification. You agree to inform us and the Mutual Fund/AMC in case of any change in your KYC information, including change in signature/signatories, etc. In the event of your signature not being updated, available or legible in KYC records, we/Mutual Fund/AMC would have the right to carry out further checks to validate the authenticity of your transaction Instruction prior to processing the same. Your transaction Instruction will get rejected if the existing KYC information is not updated or adequate, and we shall not be liable for any delay in processing your Instruction or rejection of the same owing to unavailability of updated KYC Information
- In the event that you wish to transact in a Scheme of a Whitelist Mutual Fund distributed by us, including purchase, redemption, re-investment, switch, etc., you shall provide us with:
  - a. An irrevocable Letter of Instruction, in the pre-typed format prescribed by us. This format is available at our branches and on our Website. You are required to provide the transaction details by typing into the editable fields in the Letter of Instruction. The Letter of Instruction will need to be filled completely, printed and signed by you prior to submitting it to us for executing the transaction. The Letter of Instruction shall contain all details relevant to the investment and authorise us to recover charges and taxes as applicable, by debiting your savings/current account maintained with us (Designated Bank Account).

Or

  - b. An irrevocable Instruction via Internet Banking/mobile application/telephone/facsimile message/e-mail, as may be stipulated by the Bank.
- We shall execute only those Instructions that are clear, timely and as per the rules applicable to such

transactions, and we shall not be required to ascertain compliance with any legal, regulatory or investment restrictions whatsoever as applicable to you

- You acknowledge and understand that we will always contact you at your contact details registered in our records. You undertake that you shall register your current address, contact number and/or e-mail address with us and intimate us in writing of any change in these details promptly, so as to enable us to send you necessary alerts
- The Letter of Instruction shall be duly filled up and signed by you prior to its submission to us. Neither we nor our employees shall be responsible for any incorrect information being submitted by you in the Letter of Instruction for any reason whatsoever
- You understand and agree that the investment holding pattern will be in the order of the names appearing in the Letter of Instruction and not as per holding pattern in the Designated Bank Account from which the funds for Mutual Fund investments have been provided. You understand and agree that the fund towards your investment is from your own Designated Bank Account. In case you want the investment in Mutual Fund to be in joint names, then the joint holder(s) being added to the said investment should not only be the joint holder(s) in the Designated Bank Account from where the funds for the investment have been provided, but should also have previously availed of Wealth Management Services from us
- You understand that the value of the Units of Mutual Funds or other investment products is subject to fluctuations and past performance may not be an indication of the performances in the future. Further, you understand that we do not guarantee the performance of the Mutual Fund or other investment products and the returns from such investments
- You are aware and understand that you can opt for alternative wealth management solution(s) which include solutions from various AMCs. You are free to transact directly with the MF/AMC and are not restricted to the Wealth Management Services offered by us, the HSBC Group or its affiliates
- You understand and agree that for operational reasons, we shall forward to the AMC/MF/Registrar, only those Instructions that are received prior to the cut-off time, as prescribed by the AMC/MF. Please refer to the format of the Letter of Instruction on our Website for details regarding cut-off timing
- In respect of the transactions made under the Wealth Management Services offered by the Bank, you agree, acknowledge and accept that you may route future communication/instructions for such transactions (financial or non-financial) through us or directly approach the AMC/MF or the Registrar. Where you undertake and perform such transactions directly with the AMC/MF or Registrar, the details of such transactions may not be updated in your investment records held with us or may be updated with a time lag. In case of non-financial transactions undertaken directly by you with the AMC/MF or Registrar, you shall ensure that such communication is also provided to us as per our requirement
- Where you transact directly with the AMC/MF or Registrar, you should independently verify the transaction/holding information/other details with the respective AMC/MF or Registrar before placing future transaction Instructions through us or otherwise. We or any of our employees will not be responsible for any updation of our system in this regard
- You agree and confirm that the acceptance and performance of these Terms and Conditions does not violate any law, rule, regulation, order, judgment, decree, determination, or award applicable to you
- You (only non-individual Customers) agree and represent that the acceptance and performance of these

Terms and Conditions is duly authorised and does not violate or contravene the Customer's charter documents or any applicable laws/regulations applicable to such Customer

- You declare that all information provided to us is true and correct and you are not a citizen/resident of the United States of America, Canada or any other country the laws whereof prohibit you from availing Wealth Management Services from us. We shall, in accordance with our internal policies, permit customers who are residents or citizens of such other countries to avail our Wealth Management Services, where, in our sole discretion, Wealth Management Services can be lawfully performed by us. Customers availing of the Wealth Management Services are required to comply with all applicable laws/regulations of their respective jurisdiction. We make no representations that the products or services provided are available to persons residing outside India, or are necessarily suitable for any particular person or appropriate in accordance with any applicable local laws, rules or regulations. Among other things, this means that the disclosures provided may not conform to rules of the regulatory bodies of any other country and investment in such products will not afford the protection offered by the local regulatory regime in any other country. The provision of Wealth Management Services and/or mailing of investment holdings statements and/or provision of other information relating to the financial markets by us shall not be construed as an offer or solicitation to sell investments or securities in any country, including India where, or to any person to whom, it is unlawful to make such an invitation or solicitation
- You hereby expressly accept and confirm that you will inform us and the AMC/MF and other product providers individually in case of change in your residential status from Resident to Non-Resident or vice versa or conversion of status from minor to major in future. You understand that any mismatch in the data relating to your status between our records and that of the AMC/MF and other product providers due to non-updation of information could lead to non-acceptance of your Instruction at our end and/or non-execution of your Instruction by the AMC. Any losses, damages, costs or expenses incurred due to such non-acceptance/non-execution, owing to the above mismatch, on account of NAV movement of the Mutual Fund or otherwise, will be borne by you and we shall not be held responsible for the same
- You hereby expressly accept and confirm that you will also separately inform KYC Registration Agency(ies), to update any change in your KYC details required as per the applicable KYC regulations from time to time
- If after investing or during the period when we provide the Wealth Management Services to you, you become aware of anything (including change of your residence or nationality) which may cause any of your acknowledgements or warranties above or otherwise provided to us, to become untrue or trigger any prohibition under the applicable laws/regulations or the applicable Offer Documents with respect to your investments in any Mutual Fund, you should notify us as soon as reasonably practicable and take such action as we may reasonably specify to resolve the issue, including selling, redeeming or otherwise disposing of any Mutual Fund holdings
- Tax Representation -
  - a. **Individual Accounts:** You are responsible for fulfilling any tax obligation that you may have with respect to the filing of returns or other required documentation in respect of and the payment of all relevant taxes, including, without limitation, all income, capital gains, wealth and estate duties, stamp duties, and any other applicable taxes. The creation and continued operation of your account and/or the acquisition, holding or disposal of investments or assets in such account, as well as any income, distributions or losses realised in relation to the operation of the account may expose you to tax consequences depending on a number of factors including, but not limited to, your applicable domicile, your place of residence, your citizenship or the type of assets you hold in your account. Certain countries may have tax legislation with extraterritorial effect regardless of your place of domicile, residence or citizenship.



The Bank does not provide any legal or tax advice and you should seek legal and/ or tax advice from an independent legal and/or tax adviser. You acknowledge and agree that the Bank has no liability in respect of any of your tax obligations and/or any legal and/or tax advice provided to you by third parties.

- b. Non Individual Accounts:** Customer (and each Connected Persons) is responsible for fulfilling its own obligations with respect to the filing of returns or other required documentation in respect of reporting and payment of all relevant taxes, including, without limitation, all income, capital gains, wealth and estate taxes. The creation and continued operation of the account and/or the acquisition, holding or disposal of investments or assets in such account, as well as any income, distributions or losses realised in relation to the operation of the account may expose you (or any Connected Person) to tax consequences depending on a number of factors including, but not limited to, applicable domicile, place of residence, citizenship, place of incorporation or the type of assets held in the account. Certain countries may have tax legislation with extra-territorial effect regardless of place of domicile, residence, citizenship or incorporation. The Bank does not provide any legal or tax advice and you (and each Connected Persons) should seek legal and/or tax advice from an independent legal and/or tax adviser. You acknowledge and agree that the Bank has no liability in respect of any of your tax obligations (or those of any Connected Persons) and/or any legal and/or tax advice provided to you by third parties.

For the purpose of this clause, the term 'Connected Person(s)' shall mean and include such person(s) connected to the Customer as defined under the Income Tax Act, 1961.

- You acknowledge that blank or partially filled LOI or other documents can be misused and you hereby undertake that no blank or partially completed documents would be signed and handed over to any of the employees of the Bank and, if you do so knowingly or by negligence or otherwise, you shall be solely liable and responsible for misuse of any such blank or partially completed documents and you shall not hold us liable and/or responsible in any manner whatsoever in relation to the same
- You acknowledge that, in addition to these Terms and Conditions, you shall also be bound by the Terms and Conditions applicable to any other services availed by you from the Bank, including banking services. However, in case of inconsistency between these Terms and Conditions and the terms of the other services, these Terms and Conditions shall prevail in relation to the Wealth Management Services availed of by you from the Bank. We shall have the right to modify these Terms and Conditions as and when required, to comply with the applicable laws/regulations and/or internal policies and shall inform you about the same by posting the renewed Terms and Conditions on our Website. You undertake to check the Website regularly for any modifications to these Terms and Conditions and agree to be bound by the same
- For any transactions on our online platform, the Terms and Conditions for online transactions stated therein shall apply in addition to these Terms and Conditions
- With regard to investment in PMS, Structured Debt Securities or Market Linked Debt Securities and/or AIF, you understand and acknowledge that the Bank is merely acting as a referrer on a reverse enquiry by you in order to enable you to meet the Portfolio Manager, issuer Investment Manager, as the case maybe and the assistance provided by the Bank, including any document regarding the Services shared/published by the Bank or any consolidated statements of your holdings, including PMS/Structured Debt Securities or Market Linked Debt Securities/AIF holdings, shared by the Bank, shall not be construed as:
  - a. any representation by the Bank regarding the Portfolio Manager, issuer, Investment Manager, the strategy, or the Services and the Referral Products are suitable for you;

- b. an assurance that the Services and the Referral Products would be provided by the Portfolio Manager, issuer, Investment Manager to you, which decision will be taken independently by the Portfolio Manager, issuer, Investment Manager based on their internal criteria and applicable laws;
  - c. an endorsement from the Bank about the quality of the strategy (ies) of the Referral Products offered by the Portfolio Manager, issuer, Investment Manager or the quality, returns or otherwise of the strategy (ies) of the Referral Products;
  - d. a confirmation that the Bank shall be responsible / liable for any action or omission on the part of the Portfolio Manager, issuer, Investment Manager and/ or any loss or damage sustained by you on account of availing the Services and the Referral Products;
  - e. a confirmation that the Bank shall be responsible for redressing or resolving any of my complaints or grievances in relation to the strategy under the Referral Products or the Portfolio Manager, issuer Investment Manager.
- You confirm that your decision to avail the Referral Products on a reverse enquiry basis and invest in any strategy(ies) and your request to the Bank to refer you to the Portfolio Manager, issuer, Investment Manager, have been made at your own volition/judgment, at your sole risk and the Bank will not be responsible for your decision, including, but not limited to the quality of the services offered by the Portfolio Manager, issuer, Investment Manager, the performance and/or returns of the strategy(ies) or for any action or omission on the part of the Portfolio Manager, issuer, Investment Manager or any loss or damage that may be sustained by you as a result thereof. You further confirm that you have not received any advice, suggestions or other guidance from the Bank relating to the Referral Products and the Portfolio Manager, issuer, Investment Manager or the strategy(ies) made available by the Portfolio Manager, issuer, Investment Manager
  - You understand and agree that your dealings with the Portfolio Manager, issuer, Investment Manager, including the execution of any document as may be required by the Portfolio Manager, issuer, Investment Manager, would be at your sole risk, and the Bank shall not be responsible for any loss, cost or damage that you may incur in relation to the Referral Products availed from the Portfolio Manager, issuer, Investment Manager, as the case maybe
  - You acknowledge and agree that subsequent to availing of the Referral Products on a reverse enquiry basis, the Portfolio Manager, issuer, Investment Manager would share investment reports/transaction details with the Bank including details of your investment amount in the Strategy(ies), valuation of the investment, etc., periodically, to enable the Bank to provide services to you, including to provide consolidated statements and/or analytical statements of your investments in the Referral Products
  - You understand and acknowledge that neither the Bank nor its directors, officers, employees or agents shall be liable to indemnify you against any loss or damage suffered by you in investing in the Referral Products and /or availing the services from the Portfolio Manager, issuer, Investment Manager, including loss or damage suffered in undertaking any transaction in the Referral Products, including investment and redemption
  - Nothing under the referral arrangement provided by the Bank on a reverse enquiry by you for PMS, Structured Debt Securities or Market Linked Debt Securities or AIF to the Portfolio Manager, issuer, Investment Manager shall imply, constitute or be deemed to constitute or create a relationship of principal and agent between you and the Bank

## (5) Rights and Obligations of the Bank:

- In line with the requirements of the Bank's policy, you shall submit the KYC documents along with other documentation as required to be submitted at the time of opening a new account or as and when requested by us. We reserve a right to allow/restrict operations in a newly opened/existing accounts maintained with us, if you are not able to satisfy the due diligence or KYC requirements in line with our policy and applicable laws/regulations
- We may accept your Instructions via any medium of communication including e-mail, telephone, fax, Personal Internet Banking, mobile application, etc., subject to such terms as may be stipulated by us from time to time. Your Instructions through telephone/fax/e-mail may be accepted by us only if the same is received from telephone number/fax number/e-mail ID registered with us. Where we accept your Instructions via telephone/fax/e-mail/Personal Internet Banking/mobile application, such Instructions received by us shall be deemed to be the original Letter of Instruction for all purposes. We shall be under no obligation to verify the identity of the person or persons giving Instructions purportedly in your name and any transaction and/or charges recovery made pursuant to such Instruction shall be binding upon you whether made with or without your authority, knowledge or consent
- Upon receipt of your Instructions for any transaction, we shall be authorised to automatically debit your Designated Bank Account maintained with us, without notice to you and to the extent of the amount payable by you to the Mutual Fund/AMC on account of the transaction and to us on account of charges, fees, commission and taxes as applicable. Towards this end, you agree to maintain sufficient amounts in the account to cover the transactions specified in the Letter of Instruction/Instruction and the charges, fees, commission and taxes, as applicable, failing which we are authorised at our sole discretion to reject the Instruction. In the event that we execute any such Instruction for which you do not have sufficient funds, you undertake to pay the deficiency for the transaction amount and the charges and taxes, as applicable, at the earliest, together with interest calculated at the rate applicable for overdraft, as determined by us from time to time, which shall be displayed on our Website
- We reserve the right to specify or vary from time to time the forms or means (which may include telephone or electronic or other means) through which Instructions can be provided by you or cut-off timeline on any business day by which you are required to give Instructions in relation to your Mutual Fund investments or any other Wealth Management Services offered by us. You hereby acknowledge and accept that your Instructions will be processed by us and transmitted to the AMC/Registrar only if you give clear Instructions using such forms or means and within such cut off timings as may be specified by us from time to time
- If Instructions are received by us beyond cut off timings, as may be specified by us from time to time, the same will be processed on the next business day
- We reserve the right not to act on any Instruction in any of the following circumstances:
  - a. if the Instruction is unclear in our reasonable opinion;
  - b. if the Instruction is not given by a form or means specified by or otherwise acceptable to us; or
  - c. if we become aware that the Instructions provided by you or the execution of such Instructions may result in violation of any law, rule, regulation, judgment, order, decree, determination or award applicable to you or us.
- We will not be liable for any loss sustained if any Instruction could not be processed due to the

Instructions not being clear, timely and/or in accordance with the laws/rules/regulations applicable to such investments/other transactions. In the event of non-recovery of the applicable fees, charges, commission and taxes, we may not execute the transaction and will not be liable for any loss or damage sustained by you. In the event of charges and taxes applicable on any redemption transactions, we would recover the charges and taxes (if applicable) from your Designated Bank Account, pursuant to execution of the transaction. We will not be liable for any delay in relaying your Instructions to the AMC/MF/ Registrar and any loss or damage, sustained by you in this regard unless such delay occurs solely due to our gross negligence in processing the Instructions

- We are not under an obligation to act on an Instruction to cancel or amend an earlier Instruction received by us. We will not be liable to you for any loss or expense suffered or incurred by you arising from or in connection with our acting on the earlier Instruction if we do not have sufficient time or are unable for any reason to cancel or amend that Instruction
- If we do not act on any Instruction due to temporary suspension of the Wealth Management Service for any reason, we will act on that Instruction on the first business day on which the Wealth Management Services are resumed
- We reserve the right to block transactions in a newly opened/existing accounts maintained with us, if the account deliverables/welcome letter/welcome pack/bank correspondences not limited to account statements, etc., are returned undelivered and we are unable to contact you at the address/contact number registered with us at the time of account opening/updated in our records
- If we receive or are informed about any order/judgment/instruction, legal notice, or any similar direction, by whatever name called, prohibiting you from performing any transactions in relation to your investments, we shall have the right to block/restrict such transactions, including new investments or redemptions, and no further operations may be allowed till such time such prohibition/restriction is removed
- The Bank and other members of the HSBC Group are required to and may take any action to meet Compliance Obligations relating to or in connection with the detection, investigation and prevention of Financial Crime ('Financial Crime Risk Management Activity') and act in accordance with the laws, regulations and requests of public and regulatory authorities operating in various jurisdictions which relate to Financial Crime. The Bank may take, and may instruct (or be instructed by) any other member of the HSBC Group to take, any action which it or such other member, in its sole and absolute discretion considers appropriate to take in accordance with all such laws, regulations and requests. Such action may include but is not limited to (a) screening, intercepting and investigating any instruction, communication, drawdown request, application for services, or any payment sent to or by you, or on your behalf, (b) investigating the source of or intended recipient of funds (c) combining customer information with other related information in the possession of the HSBC Group, and/or (d) making further enquiries as to the status of a person or entity, whether they are subject to a sanctions regime, or confirming your identity and status (e) share information on a confidential basis with such HSBC Group offices whether located in India or overseas in relation to prevention of Financial Crime. Exceptionally, our Financial Crime Risk Management Activity may lead to us delaying, blocking or refusing the making or clearing of any payment, the processing of your Instructions or application for Wealth Management Services or the provision of all or part of the Wealth Management Services. To the extent permissible by law, neither we nor any other member of HSBC Group shall be liable to you or any third party in respect of any loss (whether direct or consequential and including, without limitation, loss of profit or interest, however it arose) that was suffered or incurred by you or a third party, caused in whole or in part in connection with the undertaking of Financial Crime Risk Management Activity. In certain circumstances, the action which the Bank may take may prevent or cause a delay in the processing

of certain information. Therefore, neither the Bank nor any member of the HSBC Group warrants that any information on the Bank's systems relating to any payment messages or other information and communications which are the subject of any action taken pursuant to this clause is accurate, current or up-to-date at the time it is accessed, whilst such action is being taken. For the purpose of the present clause:

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

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

- In the event of death of the Customer, succession to the units held by the Customer and/or operation of the Wealth Management Services shall be in accordance with the deceased/transmission policy of the respective MF/AMC and rules for the purpose prescribed by the MF/Regulatory Authority from time to time and effective at the date of the claim. Your legal heirs will have to submit the death certificate and other documentation required by the MF/AMC for processing the request for transmission/redemption of the Units either to us or to the respective MF/AMC. If the documents are submitted to us, we will forward the documents received, to the respective MF/AMC/Registrar and will not be liable for any errors in transmission/redemption made by the MF/AMC/Registrar while processing the claim of the legal heirs of the deceased Customer

## **(6) Confidentiality:**

We will treat your personal information as private and confidential (even when you are no longer availing of the Wealth Management Services from us), and, as a general rule, not disclose such information to any other individual/institutions for any purpose unless you have authorised such disclosure explicitly herein or otherwise in writing. Our confidentiality obligations stated above shall not apply and we shall have the right to disclose your personal information, including account related information, without any specific consent or authorisation from you in the following circumstances:

1. Disclosure to an AMC/MF and/or its agent, or Registrar.
2. Disclosure on a confidential basis to HSBC Group offices or any third party agencies/service providers, whether located in India or overseas including but not limited for the purpose of availing support services of any nature.
3. Disclosure to any Regulatory Authority or to any judicial or quasi-judicial authority having jurisdiction over us or if disclosure is compelled by any law/regulation or where the disclosure is required for the protection of our interests.
4. Where such disclosure is required for the purposes of preventing fraud or otherwise where the disclosure is required in the public interest.
5. Disclosure is for a regulatory mandated business purpose, such as disclosure of default to credit information companies or debt collection agencies.
6. For the purpose of availing Referral Products on a reverse enquiry by you, you shall provide your consent

to the Bank to disclose the required personal information, which the Bank has in its possession to the Portfolio Manager, issuer, Investment Manager, without requiring your further consent/permission.

## **(7) Communications:**

You agree that we may make use of any contact information provided by you and maintained in our records (including address, telephone number and e-mail address), our Website or your mobile application/ Personal Internet Banking profile, from time to time, to communicate with you (whether through letters, telephone calls, SMS, e-mail or updation of/notification on Website/ mobile application/Personal Internet Banking profile, etc.).

Unless otherwise specified by us, any communication from us to you will be considered as having been received by you:

- i. at the time of personal delivery or leaving it at the address last notified in writing by you (if delivered personally);
- ii. 10 days from the date of the date of dispatch by us (if sent by post or courier or other similar means);
- iii. immediately after we have e-mailed it to the e-mail address last notified in writing by you (if sent by e-mail); or
- iv. immediately after we have made it available on the Website or in the mobile banking/Personal Internet Banking Profile maintained by you with us.

## **(8) Indemnity:**

You undertake to indemnify and keep us and our directors, officers, employees and agents indemnified at all times against and hold us harmless from all actions, proceedings, claims, loss, damage, charges, costs and expenses which may be made or brought against or suffered or incurred by us or our directors, officers, employees or agents which might have arisen either directly or indirectly out of or as a consequence of or in connection with:

- a. we acting pursuant to, in accordance with, or relying upon, any Instructions (either in writing or through any other medium including Internet Banking, telephone, facsimile message, e-mail, etc.) given by you and/or any person acting through or on your behalf, which we believe, in good faith, to be authentic, and/or any action or step taken by us hereunder (including the costs of enforcing the same), including but not limited to any variation in Instruction where you have given a contrary Instruction to the AMC/ MF directly or for any other reason whatsoever, and/or
  - b. non receipt of any Instructions claimed to have been sent by you to us, non-execution of any Instructions, or delay in receipt of or execution of Instructions due to any reason, except where such actions, proceedings, claims, loss, damage, charges, costs or expenses (as the case may be) have arisen as a consequence of our gross negligence or wilful misconduct.
- Notwithstanding anything contrary contained herein or elsewhere, we shall have no liability to you or to any other person for any consequential, compensatory, special or other damages, including without limitation for loss of profits
  - This indemnity is without prejudice to any other rights, privileges, powers and remedies that we may

have in law. A failure or delay in exercising any right, power or privilege by us will not operate as a waiver, and a single or partial exercise of any right, power, or privilege will not preclude any subsequent or further exercise of that right, power or privilege or the exercise of any other right, power or privilege

- This Indemnity will survive the termination of your wealth management relationship with us.

#### **(9) Termination:**

- You may terminate the Wealth Management Services only in the manner set forth below:
  - a. by providing a notice of termination/request of closure to us for the Wealth Management Services;
  - b. in case the laws of your jurisdiction or which are otherwise applicable to you prohibit you from entering into any investment transaction and/or restrict the distribution or referral of such investments by us.

Termination of this arrangement can be undertaken after all the Units held by you are transferred out of the Wealth Management Services platform of the Bank and once all outstanding charges payable by you to us have been duly paid.

- We may terminate the Wealth Management Services offered to you:
  - a. by providing a notice of termination to you at your mailing address registered with us, calling you to forthwith send a closure request for the Wealth Management Services account with us. In case of non-receipt of the closure request within 30 days from the date of dispatch of the notice by us, no further transactions will be permitted by us;
  - b. If we become aware that the laws/regulations of your jurisdiction or which are otherwise applicable to you prohibit you from entering into any investment transaction and/or restrict the distribution of such investments by us; and
  - c. in the event the Designated Bank Account has been closed with us and closure request for Wealth Management Services has not been submitted by you;
  - d. in case the mandatory account related and KYC documents have not been received by us;
  - e. In case we are made aware of information through any means, either through internal sources and/or through external partners, which would have material impact on our ability to offer Wealth Management Services to you, due to existing internal policies, regulatory guidelines, etc., and/or restricts/prohibits us from continuing to offer Services with regard to your Wealth Management Services account. Upon such occurrence, all further Services/ investments/transactions (including existing Systematic Plans) in your accounts may be suspended/cancelled without any prior intimation by us unless adequate supporting documents are submitted by you to prove otherwise.
- If all or any part of the Wealth Management Services are suspended or terminated for any reason whatsoever, we shall have the right to act as below:
  - a. cancel any Instruction (including of Systematic Plans uploaded on the system) that we have not executed at the time of suspension or termination of Wealth Management Services;
  - b. complete any transaction that we have effected on your behalf before suspension or termination.

## **(10) Force Majeure:**

We shall not be liable for any delay or failure in performance of any of our obligations in relation to the Wealth Management Services offered by us, including, but not limited to, the failure, malfunction or unavailability of telecommunications, data communications, computer systems and services, to the extent that such delay/failure is attributable to any cause beyond our reasonable control.

For the purpose of this document 'force majeure' shall be deemed to be any cause affecting the performance of these Terms and Conditions arising from events beyond our reasonable control and shall include the following:

- strikes, lock-outs or other industrial action
- civil commotion, riot, invasion, war threat or preparation for war
- outbreak of war, rebellion, revolution, hostilities, riot, civil disturbance, acts of terrorism
- epidemic, quarantine restrictions, outbreak of debilitating disease and any travel restrictions or bans (including bans on non-essential travel) issued by the World Health Organisation or any governmental authority
- fire, explosion, storm, flood, earthquake, subsidence, epidemic or other natural physical disaster
- impossibility of the use of railways, shipping, aircraft, motor transport or other means of public or private transport
- political interference with our normal operations; and
- any change in or introduction of any laws/regulations

Any delay or failure on our part to provide any services or perform these Terms and Conditions on account of any force majeure event or any event beyond our reasonable control will not be deemed to be a breach of these Terms and Conditions and under no circumstances shall we be responsible to you or to any third party for any indirect or consequential losses arising out of or in connection with such delay or failure.

## **(11) Dispute Resolution:**

All disputes or differences arising out of any transactions under the Wealth Management Services offered by the Bank shall be settled amicably between the Bank and the Customer. Before resorting to external dispute resolution mechanisms, the Bank and the Customer shall attempt to settle by negotiation any dispute in relation to these Terms and Conditions and where practicable shall refer the matter to personnel who have authority to intervene and direct some form of resolution.

## **(12) Governing Law and Jurisdiction:**

These Terms and Conditions shall be governed by the laws of India and shall be subject to the exclusive jurisdiction of the courts at Mumbai.

You confirm having read and understood these Terms and Conditions in totality and agree to abide by the same.