

Current Account Rules – Retail Business Banking

Under Retail Business Banking, The Hongkong and Shanghai Banking Corporation Limited, India (“**HSBC India**” or “**the Bank**”) offers to its customers (hereinafter referred to as “**Accountholder**”) facility to open and maintain Current Accounts (“**Account**”). These Current Account Rules, including any changes/ modifications thereto from time to time, (“**Account Rules**”) read along with the Tariff Guide and the Customer Declarations in the Retail Business Banking Account Opening Form (hereinafter collectively referred to as the “**Terms and Conditions**”), govern the general relationship (including, without limitation, all transactions relating to the operation and maintenance of the Account) between the Accountholder and the Bank. The Accountholders are requested to read and understand these Account Rules and agree to abide by the same prior to opening an Account with the Bank. Without prejudice to the foregoing, the use by the Accountholders of the Account and the facilities offered by the Bank from time to time, shall be deemed as acceptance of the Terms and Conditions and any amendments thereto, by such Accountholder.

Any additional services such as, HSBCnet, Cash Management Services, HSBC Business Debit Cards, etc., or products such as Insurance, Loans, etc., that may be availed by the Accountholders from the Bank may be subject to specific terms applicable to each such products/services. Such specific terms shall be binding on the Accountholders in addition to the Terms and Conditions. In case of conflict between any of the Terms and Conditions and the product/service specific terms, so far as it relates to the specific product or service, the specific terms shall prevail. Additionally, the Account and any other service/product availed by the Accountholder shall be subject to the relevant guidelines of the Reserve Bank of India or any other applicable authority or industry body governing such products, services, industry standards as well as banking practices prevalent in India.

A. Opening an Account:

1. Accounts can be opened by Sole Proprietorship concerns, Partnership Firms, Limited Liability Partnership Firms (LLPs), Private/Public Limited companies, One Person Company (as per the provisions of Companies Act, 2013) or other institutions or entities as permitted by the Bank from time to time, subject to the Account opening formalities and policies of HSBC (which may be revised from time to time).
2. Companies, Partnership Firms, LLPs and One Person Companies, shall open and operate the Account through their Authorised Signatories / designated partners, as the case may be, duly appointed by the Board of Directors or the Partners, respectively. A duly certified copy of such Board Resolution / Mandate / such other relevant document, in the format acceptable to the Bank shall be submitted at the time of opening of the Account, together with such other documentation, including the Know Your Customer (KYC) documents as may be requested by the Bank as a part of its due diligence requirements. Where the Account is to be opened in the name of a Sole Proprietorship, the Account opening documents shall be executed by the Sole Proprietor. Sole Proprietor may authorise any person to operate the Sole Proprietorship Account on his/her behalf by providing a duly executed (stamped and notarized) Power of Attorney (POA) in favor of such person (attorney).
3. Adequate sets of specimen signature(s) as required by the Bank will be provided by the Accountholder at the time of Account opening or at any other time as required by the Bank, including upon changes in the authorised signatories/designated partners/attorneys etc.
4. As per the applicable regulations, it is mandatory to provide, the Accountholders’ Permanent Account Number (PAN), Corporate Identification Number (CIN) or alternatively a declaration in Form No. 60 or 61, as applicable, under the Income Tax Act, 1961 and Rules made thereunder at the time of opening of the Account. In case the Form 60 mentions reason as ‘applied for PAN’, then the Accountholders shall provide a copy of PAN card within (30) days of making such an application to the Income Tax Authorities, failing which the Bank reserves the right to reject the application for opening the Account or block/close the Account without any further notice.

The Bank will intimate the prospective Accountholder about the requirement of documents at the time of Account opening. The complete list of documents as applicable to the each type of entities is also available on the Bank’s website www.hsbc.co.in for ready reference.

5. In line with the requirements of the Bank’s policies and applicable laws/regulations, the Know Your Customer (KYC) documents along with such other documentation as may be requested by the Bank shall be submitted by the Accountholder as and when required by the Bank. The Bank reserves a right to allow/restrict operations in a newly opened/existing accounts maintained with the Bank, if the Accountholder is not able to satisfy the due diligence requirements in line with the Bank’s policy.
6. In case of any change in the Accountholder’s authorised signatories/designated partners, the same shall be promptly intimated to the Bank along with revised Board Resolution/Mandate or such other documentation as be required by the Bank with details of changed authorised signatories/designated partners as the case may be, for operating the Account. Any changes, including revoking of authority would be effective only after 3 (three) business days from the date of receipt of the change request to the Bank. The change will only be implemented if the request letter is provided as per the mandate agreed with the Bank.

B. Customer Number: The Bank allocates a unique Customer ID number to each Accountholder and the Accountholder is requested to quote this Customer ID number for every additional account opened with any branch of the Bank.

C. Account Proposition:

1. The Bank may from time to time designate one or more Account Proposition(s) to the Accountholder, with different features, which may include enhanced services, preferential terms, and/or special promotions on other accounts, basis certain pre-defined criteria. The Bank may allocate (but without any obligation to do so) an Account Proposition to an Accountholder at its discretion, or at the request of the Accountholder, at the time of Account opening or subsequently, subject to the Accountholder complying with such pre-defined criteria, as may be stipulated by the Bank for each such Account Proposition. The Bank may at any time and from time to time vary or entirely withdraw any Account Proposition, either at the request of the Accountholder or at the Bank’s sole discretion. The allocation, variation or withdrawal of an Account Proposition, shall be made with reference to the pre-defined criteria, subject always to the final decision of the Bank.
2. The features which may be made available, and the fees and charges which may be imposed, by the Bank in relation to an Account may vary with respect to the Account Proposition and, within the same Account Proposition, may vary by reference to whether the Accountholder continues to satisfy the prevailing criteria for that Account Proposition.

3. Each Account Proposition may have a set of criteria and/or conditions that the Accountholder has to fulfil so as to continue in that Account Proposition and to enjoy the features in that Account Proposition. Each feature may also have certain terms and conditions governing the Accountholder's use and enjoyment of that feature. Following an allocation or variation of an Account Proposition, it shall be the Accountholder's sole responsibility to ensure that all the prevailing criteria for maintaining that Account Proposition and the terms and conditions for enjoying the features in that Account Proposition are fully satisfied and/or observed. The failure of an Accountholder to fulfill all prevailing criteria and terms and conditions in respect of an Account Proposition may result in the Bank varying the Account Proposition of such Accountholder. The Bank shall have the sole discretion to take such a decision and such decisions shall be final.
4. The Bank shall be entitled to vary from time to time, the pre-defined eligibility criteria for any Account Proposition and/or the terms and conditions applicable to any features/facilities available under any Account Proposition, or withdraw any Account Proposition completely. If the Bank exercises its discretion to allocate, vary or withdraw an Account Proposition as stated above, it will notify the Accountholder of the same using any means of communication as laid down herein or otherwise as it shall deem appropriate. All the features enjoyed by the Accountholder shall automatically be subject to change depending upon such allocation/variation/withdrawal as the case may be, unless the Bank shall at its sole discretion decide otherwise, and the Bank is not obliged to provide any further notice in connection therewith.
5. The Accountholder agrees that, it will abide by the Bank's decision on any allocation, variation or withdrawal of an Account Proposition and it will not hold the Bank liable or responsible for any loss incurred by or inconvenience caused to an Accountholder on account of any variations in the features enjoyed as a result of any allocation, variation or withdrawal of an Account Proposition by the Bank or any change in the pre-defined criteria or terms and conditions of any features under any Account Proposition.
7. The withdrawal of an Account Proposition shall not in itself affect the use or operation of the Account(s) unless the Bank shall specifies otherwise.
8. The pre-defined criteria and features of various Account Propositions are made available on the Bank's Website for the Accountholder's ready reference.

D. Term Deposit / Fixed Deposit Accounts

1. The Bank provides facility to Accountholders to place Fixed Deposits. Information about various tenures for which such deposits can be placed, current rates of interest and minimum deposit amounts are made available on the Bank's Website.
2. A Fixed Deposit account will be opened under an Accountholder's existing Customer ID for the relevant Current Account, upon receipt of a duly filled in application form from the Accountholder.
3. The Fixed Deposit account may be placed with such minimum deposit amount and for a range of maturity tenures and interest rates as stipulated by the Bank from time to time and this in turn is subject to the directives that may be issued by the Reserve Bank of India from time to time.
4. The Accountholder is required to give instructions regarding payment of proceeds on maturity of a Fixed Deposit or any amendments thereto, at least one business day prior to the date of maturity. If the Accountholder does not give specific instructions regarding payment of proceeds on maturity, the Fixed Deposits will be renewed automatically on maturity, for the same duration as the maturing Fixed Deposit. In case of cumulative Fixed Deposits, the accumulated interest will be added to the principal and renewed along with the principal, subject to extant regulations in this regard. Where automatic renewal instructions are given for Fixed Deposits, the rate of interest applied will be the rate prevailing at such time on the due date as the Bank at its sole discretion decides.
5. In case of cumulative Fixed Deposits, the interest is compounded quarterly at the prescribed rate and is paid to the Accountholder along with the principal at the end of the term.
6. Where the maturity date of a Fixed Deposit falls on a day other than a business day in India, the Fixed Deposit shall be payable on the next business day.
7. At the request of the Accountholder, the Bank shall allow a premature withdrawal of the Term Deposit before its maturity date subject to the following:
 - i. The interest paid will be lower by the Penal Rate of 1% than the rate prevailing on the date of placement of the Fixed Deposit for the period for which the deposit remained with the Bank or the contractual rate, whichever is lower.
 - ii. No interest will be payable in case of withdrawal of the Fixed Deposit prior to the minimum deposit tenure offered by the Bank.
8. All requests for placement, renewals and withdrawals of Fixed Deposits are accepted subject to the business days and hours set by the Bank from time to time.
9. The sole/first deposit holder will be usually regarded as the beneficiary owner of the Fixed Deposit and considered as the payee for the purposes of income tax deduction at source (TDS) from the interest on such deposit. TDS, when due and applicable will be deducted in accordance with the provisions of the Income Tax Act, 1961 and the rules thereunder as in force. In the case of 'resident' payee, TDS at appropriate rates will be deducted where the aggregate of the interest on such deposit(s) credited, during a financial year exceeds the maximum amount prescribed by the Income Tax Act, 1961. Such TDS shall be recovered from savings/current/demand deposit account(s).
10. In cases where the deposit holder holds only Fixed Deposits and no Demand Deposit account with HSBC or has not designated an account from where the TDS amount is to be deducted, the Bank would recover TDS amounts from the maturity proceeds or from the encashment proceeds (in case of premature encashment) of the deposit. The Bank reserves the right to recover TDS from interest accrued on Term Deposits and not wait till maturity for recovery of TDS, if the Accountholder does not nominate a current/ savings account.
11. As per the section 206AA of the Income Tax Act, 1961, it is mandatory for payers to withhold tax at higher rates if Permanent Account Number (PAN) is not updated or incorrect. This provision is applicable even if the Accountholder submits Form 15G/15H. The Accountholder needs to furnish the PAN to avail the benefit available under Form 15G/15H. Please refer to the FAQ section on the Bank Website for further details.
12. Unless explicitly mentioned by the Accountholder, the Bank will assume that either the Accountholder has not availed ECB/the subject deposit placement is not from the proceeds of an ECB availed by the Accountholder.

E. Withdrawal:

1. Cash withdrawals should only be made on the printed cheque forms supplied by the Bank or through Automated Teller Machines (ATMs).
2. Accountholders can make withdrawals from the Account at the counter of the Bank's branches during business hours. Before a withdrawal, satisfactory evidence of the identity and authority of the Authorised Signatories/partners/sole proprietor/attorney as the case may be of the Accountholder, shall be produced, if requested by the Bank. The Bank shall be entitled to make payment to a person producing satisfactory evidence of his/her identity and authority and a withdrawal form, which appears to be signed in accordance with the authorisation documents of the Accountholder available with the Bank. By making such payment, the Bank shall be discharged of its liabilities towards the Accountholder or any other person with respect to the amount paid.
3. The Account should not be overdrawn, nor should cheques be drawn against funds in due course of realisation unless special arrangements have been made with the Bank.
4. For any large withdrawals, advance notice should be given at the relevant branch of the Bank.
5. The Bank reserves the right to levy service charges on withdrawals as per the Tariff Guide made available on the Bank's Website.

F. Cheque Books

1. An application for a cheque book for the Account must be made by presenting the Bank's requisition slip, duly signed on behalf of the Accountholder. All cheque books issued by the Bank should be kept safe from loss, theft, or unauthorised access or use in a secure place at all times.
2. The Bank reserves the right to refuse issuance of further cheque books on Accounts which are not maintained satisfactorily and also when an excessive number of cheques issued by the Accountholder are returned unpaid due to insufficient funds. If the Accountholder has sufficient number of unused cheque leaves from the previous cheque book, the Bank reserves the right to refuse issue of further cheque books.
3. The Accountholders are requested to read and understand the conditions subject to which cheque books are currently issued by the Bank, which are printed on the inside of the back cover of the cheque book.
4. No alterations are allowed on a cheque under the image based Cheque Truncation System (CTS). For any change in the payee's name, courtesy amount (amount in figures) or legal amount (amount in words), fresh cheque leaves should be used by Accountholders.
5. The cheques will be payable at all HSBC branches located in India.
6. The facility will be available four business days after receipt of specimen signature(s) of the Accountholder's authorised signatory(ies) by the Bank.
7. The cheque will be returned unpaid if the drawer's signature differs from that on record at the Bank. The same style and mode of signature as per specimen given to the Bank must be adhered to.
8. Cheque books will either be available at the Bank's counters or delivered directly to the Accountholder at the address of the Accountholder registered with the Bank.
9. A charge as per the Bank's current Tariff may be recovered from the Accountholder's Account for issuance of cheque books/leaves.
10. Stop cheque instructions should be given at the branch where the Account is opened, rather than at other branches of the Bank.
11. A charge as per the Bank's current Tariff will be applicable for recording stop payment instructions and the same will be debited to the Accountholder's Accounts.
12. Accountholders cannot print cheque books or other payment instruments without written approval from the Bank.
13. Any changes in the authorised signatory(ies)/designated partner, etc., of the Accountholder shall be intimated to the Bank promptly through a request submitted in the manner stipulated by the Bank, which shall be updated in the Bank's records 3 business days post such request. In the absence of an appropriate intimation to the Bank of any such change, the Bank will not be liable, if a cheque signed by an authorised signatory/designated partner of the Accountholder (as per the records of the Bank), whose authority has been revoked is paid by the Bank and/or if a cheque signed by a new authorised signatory/designated partner, whose details are not updated in the Bank's records, is not honoured by the Bank during this period.
14. Any countermanding instructions such as stop payment instruction will be effective from the next working day after receipt of the same by the Bank. The Bank will not be liable if any cheques are paid before these instructions have been made effective.
15. The Bank reserves the right to debit the Account for the value of any Foreign Currency Cheque(s) (Along with applicable GST if any) sent through the Bank for collection and collected by the Bank as a direct collection item to the drawee bank, because of the cheque(s) being returned unpaid (for any reasons whatsoever) by the drawee bank at a date later than the Bank passing the credit to the Account.
16. USD denominated cheque collection: USD denominated cheques payable at foreign centres where the Bank has correspondent banking arrangements (either with HSBC Group entities operating in such countries or other banks) will be collected through such arrangements. USD denominated cheques drawn on foreign banks at centers where the Bank or its correspondent do not have a direct presence will be sent direct to drawee bank with instructions to credit the proceeds to the respective Nostro account of the Bank maintained with one of the correspondent bank. The credit for all USD denominated cheques will be on realisation/clear funds basis. The Bank reserves the right to debit the Accountholder's account for the value of any USD denominated cheque(s) sent through the Bank for collection, in the event of the cheque(s) being returned unpaid (for any reasons whatsoever) by the drawee bank at a later date (up to 6 years) after crediting the Accountholder's account. On the date of return, the debit should happen as per rates applicable on the date of debit. Exchange loss if any, will have to be borne by the Accountholder. Foreign Exchange gain, if any, on account of differential rates, needs to be reversed from the Account.

G. Cheque Deposit Boxes (CDBs)

For the purpose of this section, the term 'item' or 'items' include cheques, warrants, payment warrants, and all other payment instruments whatsoever.

1. The items deposited in any CDB will be sent by the Bank for clearing within the period as indicated on the box but not later than 2 business days.

2. The Bank has appointed a service provider for collecting the items from the CDBs. The service provider shall collect the items from the CDBs and handover the same to the Bank. The Bank will be responsible for the items upon receipt of the same from the service provider.
3. The Bank will not be held responsible for any loss and/or damage to items dropped in the CDBs if these boxes are damaged, opened or tampered with by unauthorised persons, or if any items or the boxes are damaged as a result of force majeure, including without limitation, any act of God, strikes, lockouts, closures, riots, civil commotion, law, rule, regulation, embargo, moratorium, exchange restriction, unforeseen declaration of a public holiday, or any other cause beyond the reasonable control of the Bank.
4. The CDBs shall not be used for dropping cash and/or post-dated cheques. The Bank will not be responsible for such post-dated cheques and/or cash deposits.

H. Banking Hours

1. Accountholders will be permitted to transact during normal banking hours as may be in force from time to time for any relevant branch.
2. Banking hours are subject to change by the Bank from time to time, subject to applicable laws/regulations. All transactions, including transactions such as deposits, withdrawals, transfers, instrument purchases sought on any business day after the cut-off time that may be specified by the Bank from time to time, up to which such transactions can be effected by the Bank, shall be processed on the following business day irrespective of the banking hours of the branch.
3. All such cut-off times may, at the sole discretion of the Bank, be altered or specified in any statement of account or in any other communication or posted on the Bank's Website. The Bank shall not be responsible for any losses including loss of interest, or for any liability incurred/suffered by the Accountholder due to stipulation of such cut-off times.

I. Statements of Accounts:

1. Accountholders may opt for either electronic statements or paper statements, as applicable/made available by the Bank, and the frequency of delivery. The Accountholders shall be deemed to have received Statement of Account for the preceding month:
 - a. on its actual receipt, if personally delivered to the Accountholder's address registered with the Bank;
 - b. on the day it is posted to the Accountholder's address registered with the Bank.
 - c. on the day it is emailed to the Accountholder's email address registered with the Bank
 - d. on the date on which it is placed on the Accountholder's profile on HSBCnet (if applicable).
2. If the Statement of Account is undelivered on two consecutive occasions, then the Bank will not send any further statements to the Accountholder unless the correct address is updated.
3. Immediately upon receipt of each Statement of Account and in any event not more than 30 (thirty) days from the period mentioned above, the Accountholder agrees to notify the Bank in writing of any errors, omissions, irregularities, including any fraudulent or unauthorised transactions or any other objections the Accountholder has with respect to that Statement of Account. If the Accountholder fails to notify the Bank within 30 (thirty) days, the Statement of Account and all entries therein, will be conclusive evidence of the correctness of the contents and binding upon the Accountholder and/or any person claiming under or through such Accountholder without the requirement for any further proof and the Bank will be released from all liability for any transaction (including all charges, damages and losses of any kind whatsoever, taxes, levies, fines, fees or penalties suffered and/or incurred) occurring up to the date of the most recent statement of account except for transactions the Accountholder gave notice of in accordance with this section.
4. Duplicate statements of past transactions may be issued by the Bank, against payment of charges as per the Bank's Tariff Guide made available on the Website.

J. Fees and Charges:

1. In consideration for the services offered by the Bank, the Accountholder shall pay to the Bank, fees and charges as laid down in detail in the Tariff Guide. The Bank shall be entitled to debit the Account for the applicable fees/charges for various banking services availed by the Accountholder, as per the tariff, provided in the Tariff Guide from time to time without prior intimation to the Accountholder. The Tariff Guide shall be made available on the Bank's Website for ready reference of the rates of fees and charges levied by the Bank for various services/purposes.
2. In case the Accountholder's account does not have sufficient funds to collect the charges, the Bank reserves the right to debit the Accountholder's account at a later date as and when funds are available without prior intimation to the Accountholder.
3. The Bank will recover Goods and Services Tax and other Government levies (as applicable) over and above the service charges as mentioned in Tariff Guide.
4. The Bank shall be entitled to make revisions to the fees /charges levied from time to time. If the fee/charges are increased, a clear 30 (thirty) days' notice shall be provided to the Accountholders, to give an opportunity to the Accountholders to make an informed decision to continue/discontinue availing the relevant services. Post expiry of the notice period, in the absence of any specific communication from the Accountholder, it shall be deemed that the revised fee/charges are agreeable to the Accountholder, and such fees and charges will be debited from the Account from time to time as and when the same becomes due, without any further communication. The Accountholders shall ensure that requisite balance is maintained in the Account to cover the Bank's fees and charges as and when due.

K. Tax Representation:

1. The Accountholder (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 the Accountholder (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 the Accountholder (and each Connected Person) should seek legal and/or tax advice from an independent legal and/or tax adviser. The Accountholder acknowledges and agrees that the Bank has no liability in respect of any of the Accountholder's tax obligations (or those of any Connected Persons) and/or any legal and/or tax advice provided to the Accountholder by third parties. For the purpose of this clause, the term "Connected Person(s)" shall mean and include such person(s) connected to the Account holder as defined under the Income Tax Act, 1961 and rules made thereunder.

2. The Accountholder agrees and confirms that in the event any of the services in connection with the Account are or become liable to tax under the applicable laws and regulations, the Accountholder shall bear all such taxes or duties (by whatever name called) in connection with such services and the Bank is hereby authorised to deduct any such amount from the Account, without requirement of providing further notice or seeking additional consent/authorisation from the Accountholder.
3. Goods and Services Tax (GST) regulations and notified GST rates, Central GST, State/Union Territory GST or Inter-State GST, as applicable, and Cess, as applicable, would apply on the Bank's fees and charges. The GST and other statutory levies are subject to change from time to time as per the applicable statutory/regulatory guidelines and the same will be levied as per the extant laws/regulations.

L. Right of Lien and Set off:

1. The Bank shall have the paramount right to lien, irrespective of any other lien or charge, present as well as future, on the deposits of any kind and nature (including fixed deposits) held/balances lying in any accounts of the Accountholder, and on any monies held by/under the control of the Bank to the extent of all outstanding dues.
2. The Bank may without notice combine or consolidate Account(s) with, and liabilities to, the Bank, and shall have the right to set-off or transfer any sum(s) standing to the credit of such Account(s) or any other sum(s) due to the Accountholder from the Bank towards satisfaction of the Accountholder's liabilities to the Bank on any other respect, whether such liabilities be actual or contingent, primary or collateral and several or joint.
3. The Bank will also have the right to set-off the service charges, charges for non-maintenance of Average Quarterly Balance or any wrong credit(s) or any other charges and/or interest payable for any services availed of by the Accountholder pursuant to the Terms and Conditions, by debiting the Account, without requirement of providing further notice or seeking additional consent/authorisation. In case the balance in the Account becomes overdrawn as a result of such set-off, the Bank will be entitled to charge interest at such rates as the Bank may deem fit, for the period for which the Account remains overdrawn at any time during the maintenance of the Account. In case of any shortfall in the Account or in the event of closure of the Account, the Accountholder shall be liable to pay such outstanding charges/interest or otherwise to the Bank, forthwith, without demur or protest.

J. General

1. The Hongkong and Shanghai Banking Corporation Limited's principal place of business is the Hong Kong SAR and its India corporate office is located at 52/60 Mahatma Gandhi Road, Fort, Mumbai - 400 001.
2. The Bank reserves the right not to disclose Account information to the Accountholder over telephone.
3. Inoperative Accounts:
 - (a) Accounts which have not been operated for a period of 2 (two) years or more will be classified as 'unclaimed'. Accountholder will have to reach out to the Bank with suitable identification to reactivate the accounts/close the account if it is not required.
 - (b) As per RBI guidelines, if an Account is not operated for a period of 10 years and more, banks shall transfer funds for such accounts to the Depositor Education and Awareness Fund (DEAF).
 - (c) As per RBI guidelines, the Banks shall crystallise, i.e. convert the credit balances in any inoperative foreign currency account into INR at the prevailing exchange rate. This is applicable for accounts (Exchange Earner Foreign Currency [EEFC] and Special FCY) that have remained inoperative for a period of greater than 3 years. The Accountholder shall be entitled to claim either the INR proceeds or the foreign currency equivalent (calculated at the rate prevalent as on the date of payment) of the INR proceeds of the credit balances converted. The actual foreign currency equivalent of the credit balances proceeds as claimed on such crystallised credit balances as on date of payment can be either more or less than what would have been payable had the credit balances continued to be held in foreign currency. This is mainly due to the fluctuations in exchange rates as applicable on the relevant dates.
4. Financial Crime Risk Management Activity: 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 the Accountholder, or on behalf of the Accountholder, (b) investigating the source of or intended recipient of funds; (c) combining Accountholder 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 the Accountholder's identity and status and (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 the Bank delaying, blocking or refusing the making or clearing of any payment, the processing of the Accountholder's instructions or application for services or the provision of all or part of the Services. To the extent permissible by law, neither the Bank 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 the Bank 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.

5. The Bank remains entitled to assign any activities, including in relation to the Accounts or any services rendered or products offered to the Accountholder, to any third party agency at its sole discretion.
6. Insurance Cover for Deposits: All deposits placed with the Bank in India are covered under the insurance scheme offered by Deposit Insurance and Credit Guarantee Corporation of India (DICGC) subject to certain terms and conditions. This insurance covers all deposits such as savings, fixed, current, recurring, etc., except the following type of deposits:
 - a. Deposits of Foreign Governments.
 - b. Deposits of Central/State Governments.
 - c. Inter-bank deposits.
 - d. Deposits of the State Land Development Banks with the State Co-operative Bank.
 - e. Any amount due on account of and deposit received outside India.
 - f. Any amount, which has been specifically exempted by the corporation with the previous approval of Reserve Bank of India.

Each Accountholder is insured up to a maximum of ₹100,000 (Rupees one lakh only) for both principal and interest amount held with the Bank, in the same right and same capacity as on the date of liquidation/cancellation of the Bank's license or the date on which a scheme of amalgamation/merger/ reconstruction of the Bank comes into force.

7. The Bank has the authority to place a hold or debit any Accounts to recover any amount credited by the Bank erroneously in the account of the Accountholder.
8. The Accountholder shall not create or permit to subsist, any encumbrance or third party interest over or against any Account(s) with the Bank or any monies lying therein without the Bank's prior written consent.
9. The Accountholder(s) shall not associate their name(s) with the Bank without the prior written approval of the Bank.
10. Transaction Instruction Authentication: As per the Bank's 'customer callback policy', for all transactions above certain specified thresholds, whether domestic or cross-border transaction, the Bank staff shall call the Accountholder's designated personnel (as per contact details provided by the Accountholder's authorised signatories) through telephone to validate the transaction details. In case either the designated personnel are not reachable in spite of two attempts or the transaction details could not be authenticated, the request(s) may either be rejected by the Bank or processed on a best effort basis solely at the Bank's discretion without any liability to the Bank, to ensure fraud prevention and better security of the Account. The Bank may revise the mentioned threshold limit from time to time and notify the same to the Accountholders. Upon such notification, Accountholders shall be deemed to have agreed to such revised threshold limits for the callback process. This is applicable for all current accounts opened for business purpose.
11. If the Accountholder or a shareholder (whether direct, or indirect, legal or beneficial) of the Accountholder is a company incorporated in a country that permits issuance of bearer shares or bearer share warrants, the Accountholder confirms and warrants that neither it nor such shareholder has issued any bearer shares or bearer share warrants, and further undertakes that the Accountholder or such shareholder will notify the Bank if it issues or converts any of its shares to bearer form.
12. Death of authorised signatories/authorised or designated partners/Sole Proprietors:
 - a. Succession to the amount lying to the credit of the Account and/or operation thereof on the death of the person authorised to operate upon the Account shall be in accordance with the rules for the purpose prescribed by the Bank from time to time and effective at the date of the claim.
 - b. In case of death of any authorised signatory/partner/designated partner/attorney authorised by the Accountholder to operate the Account, the Accountholder shall promptly intimate the Bank about the same and provide details of the new persons who would be authorised to operate the Account, together with Board Resolutions/Mandates/Power of Attorney or such other documents as may be required by the Bank.
 - c. Where the Accountholder is a Sole Proprietor, nomination facility is available as per the applicable laws/regulations in relation to nomination. The Accountholder is advised to make use of this facility in his/her own interest. In case of death of a Sole Proprietor, the Sole Proprietorship Account shall cease to operate. Succession to the amount lying to the credit of the Account and / or operation thereof on the death of the Sole Proprietor shall be in accordance with the Deceased Depositor Policy of the Bank effective on the date of the claim.

K. Indemnity:

The Accountholder shall be liable to indemnify and keep the Bank and its directors, officers, employees and agents /service providers indemnified at all times against and hold the Bank harmless from all actions, proceedings, claims, loss, damage, charges, costs and expenses which may be made or brought against or suffered or incurred by the Bank 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. Accountholder's use of the Account and the services or the Bank providing the services to the Accountholder, maintaining the Accounts, or effecting any transactions for or with the Accountholder;
- b. any default or breach by the Accountholder in performing the obligations under the Terms and Conditions, the applicable laws/ regulations or relating to the services or the Accounts; or
- c. relying upon, any transaction instructions or service request (either in writing or through any other medium including Internet Banking, telephone, facsimile message, email etc.) given by the Accountholder and/or any person acting through or on behalf of the Accountholder, which the Bank believes, in good faith, to be authentic, and/or any action or step taken or omitted by the Bank hereunder in reliance thereof (including the costs of enforcing the same), or
- d. non receipt of any transaction instructions or service request by the Bank, which the Accountholder claimed to have sent, non-execution of any transaction instructions or service request by the Bank, or delay in receipt of or execution of any transaction instruction/service request or due to any reason,

unless, such actions, proceedings, claims, damages, costs, etc., are incurred due to the gross negligence or wilful default on the part of the Bank or that of the Bank's agents or their respective officers or employees and only to the extent of direct and reasonably foreseeable loss and damage (if any) arising directly and solely from it. This indemnity shall continue after the termination of the Account or services or the Terms and Conditions.

L. Closure/Block/Termination of Accounts:

1. The Bank reserves the right to terminate/close any Account without assigning any reason for the same.
2. The Bank reserves the right to suspend / terminate / close any Account or all or part of the services provided in relation to any Account by giving a notice of 30 (thirty) days to the Accountholder on account of any of the following (except that no notice need be given in the cases described in paragraphs (g) and (h) below):
 - a. where, in the opinion of the Bank, there has been unsatisfactory conduct in the Account in terms of volume, type of transactions, etc., including, but not limited to, no transactions (either debit or credit) being made in the Account by the Accountholder or a third party for at least 6 months and the no balance is maintained in the Account;
 - b. breach by the Accountholder of any provision of the Terms and Conditions;
 - c. any information furnished by the Accountholder at the time of Account opening is found to be false/incorrect;
 - d. a petition in bankruptcy, winding up or commencement of any other proceedings against the Accountholder;
 - e. failure by the Accountholders to submit requisite documents to the Bank, as may be required for fulfilment of KYC or other due diligence formalities
 - f. the Account deliverables/welcome letter/welcome pack etc., of a newly opened Account or other Bank correspondences not limited to account statements, etc., are returned undelivered and the Bank is unable to contact the Accountholder at the address/contact number provided by them at the time of account opening/updated in the Bank records;
 - g. the Form 60 submitted by Accountholder at the time of Account opening mentions 'applied for PAN', and a copy of PAN card is not furnished by the Accountholder within thirty (30) days of making such an application to the Income Tax Authorities;
 - h. any other event / occurrence (including any applicable laws/regulations) which, in the opinion of the Bank, renders suspension or termination of any services or any Account, necessary or advisable.
3. An Accountholder may request for closure of the Account:
 - a. by submission of a Board Resolution authorizing the same, in case of Companies;
 - b. by submission of a mandate/request signed by all the partners, in case of Partnership Firms/LLPs
 - c. by submission of a request signed by the Sole Proprietor, in case of Sole Proprietorship concerns
4. Where an Account has been closed either by a request from the Accountholder or at the discretion of the Bank, the Accountholder shall return to the Bank all ATM/Debit Cards, unused cheque leaves, etc., to the Bank. The Banks shall have the right to:
 - a. cancel any future transaction instruction that the Bank had received from the Accountholder, but have not executed at the time of suspension or termination/closure;
 - b. not honor any cheque issued by Accountholder from the Account prior to the date of closure of the Account either by the Bank or the Accountholder;
 - c. complete any transaction that the Bank have initiated / effected on behalf of the Accountholder before suspension or termination/ closure;
 - d. exercise any of the Bank's rights under set – off, if need be. and the Bank shall not be liable on account of the above.

M. Variation of Terms and Conditions:

The Bank shall have the right to vary the Terms and Conditions (including the terms of the Tariff Guide in relation to fees and charges) and any other terms and conditions governing any services, features, or any products from time to time by notice to the Accountholder by way of display at the Bank's premises or on our Website or through any other means of Communication that the Bank considers appropriate.

N. Confidentiality:

The Bank shall treat the Accountholder's personal information as private and confidential (even when the Accountholder no longer avails of the Retail Business Banking Services from the Bank), and, as a general rule, not disclose such information to any other individual/institutions for any purpose unless the Accountholder has authorized such disclosure explicitly herein or Terms and Conditions or otherwise in writing. The Bank's confidentiality obligations stated above shall not apply and the Bank shall have the right to disclose the Accountholder's personal information, including account related information, without any specific consent or authorization from the Accountholder in the following circumstances:

- a. 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;
- b. Disclosure to any Regulatory Authority or to any judicial or quasi-judicial authority having jurisdiction over the Bank or if disclosure is compelled by any law / regulation or where the disclosure is required for the protection of the interests of the Bank;
- c. Where such disclosure is required for the purposes of preventing fraud or otherwise where the disclosure is required in the public interest;
- d. Disclosure is for a legal/regulatory mandated business purpose, such as disclosure of default to credit information companies or debt collection agencies.

O. Communications:

- a. The Accountholder agrees that the Bank may make use of any contact information provided by the Accountholder and maintained in the Bank's records (including address, telephone number and e-mail address), the Bank's Website or the Accountholder's Internet Banking/ HSBCnet platform profile, from time to time, to communicate with the Accountholder, (whether through letters, telephone calls, SMS, e-mail or updation of / notification on Website/HSBCnet profile).

Unless otherwise specified by the Bank, any communication from the Bank to the Accountholder will be considered as having been received by the Accountholder:

- i. at the time of personal delivery or leaving it at the contact address of the Accountholder registered with the Bank (if delivered personally);
- ii. 5 days from the date of the date of dispatch by the Bank (if sent by post or courier or other similar means);

- iii. immediately after the Bank has e-mailed it to the e-mail address of the Accountholder registered in the records of the Bank (if sent by e-mail); or
 - iv. immediately, after the Bank has made it available on its Website or on the HSBCnet profile of the Accountholder
- b. In case of any change in the contact details of the Accountholder, the same shall be promptly intimated by the Accountholder to the Bank, but in no case later than 2 weeks. In case of failure by the Accountholder to update the contact details with the Bank, and consequent non receipt of Bank's communications by the Accountholder, Bank shall not be held liable for any loss/damage sustained by the Accountholder due to the same.

P. Force Majeure:

The Bank shall not be liable for any delay or failure in performance of any of the Bank's obligations in relation to the Account or any services availed by the Accountholder, 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 the Bank's reasonable control.

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

- i. strikes, lock-outs or other industrial action;
- ii. civil commotion, riot, invasion, war threat or preparation for war;
- iii. outbreak of war, rebellion, revolution, hostilities, riot, civil disturbance, acts of terrorism;
- iv. 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;
- v. fire, explosion, storm, flood, earthquake, subsidence, epidemic or other natural physical disaster;
- vi. impossibility of the use of railways, shipping, aircraft, motor transport or other means of public or private transport;
- vii. political interference with our normal operations; and
- viii. any change in or introduction of any laws / regulations.

Any delay or failure by the Bank to perform its obligations in relation to the Account or any services availed by the Accountholder on account of any force majeure events will not be deemed to be a breach of the Terms and Conditions and under no circumstances shall the Bank be responsible to the Accountholder or to any third party for any indirect or consequential losses arising out of or in connection with such delay or failure.

Q. Dispute Resolution:

All disputes or differences arising out of the use of the Account or any services availed from the Bank or any transactions under the Account shall be settled amicably between the Bank and the Accountholder. Before resorting to external dispute resolution mechanisms, the Bank and the Accountholder shall attempt to settle by negotiation any dispute in relation to the Terms and Conditions and where practicable, shall refer the matter to personnel who have authority to intervene and direct some form of resolution.

R. Governing Law and Jurisdiction:

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

S. HSBC Business PhoneBanking:

The Bank's PhoneBanking officers are available for enquires from 8am to 7pm, Monday-Friday and 8am to 4pm on a Saturday for general enquiries. PhoneBanking officers will not be available on Bank Holidays. IVR (Integrated Voice Recording) emergency services like Lost Card Reporting, Loss of Cheque book and Stop Cheque Instructions our PhoneBanking services are available 24 hours a day, 7 days a week to all Accountholders.