

Terms and Conditions for HSBC Retail Infrastructure Bonds Subscription Services and Fee Handling

(Service and promotion period: 26 November 2024 – 6 December 2024 and
17 December 2024 – 31 January 2025)

Important Risk Warning

1. Bonds are investment products. The investment decision is yours.
2. Bonds are NOT equivalent to a time deposit.
3. Issuer's Risk – you rely on the issuer's creditworthiness. The bond is subject to both the actual and perceived measures of credit worthiness of the issuer. There is no assurance of protection against a default by the issuer in respect of its repayment obligations. In the worst case scenario (e.g. upon insolvency of issuer), you might not be able to recover the principal and any coupon if the issuer defaults on the bond.

Additional risks are disclosed in the section of "Risk Disclosure" below. Please refer to it for details.

The information in this document does not constitute a solicitation for making any deposit or investment in any products referred to herein. You should carefully consider whether any investment products or services mentioned herein are appropriate for you in view of your investment experience, objectives, financial resources and circumstances. This material has not been reviewed by the Securities and Futures Commission of Hong Kong.

General Terms and Conditions:

1. The service and promotion period is from **26 November 2024 – 6 December 2024** (both dates inclusive) for Item (A) and from **17 December 2024 – 31 January 2025** (both dates inclusive) for Item (B) (the "Service Period") (unless otherwise specified below).
2. The Hongkong and Shanghai Banking Corporation Limited in the Hong Kong Special Administrative Region ("HKSAR") (and its successors and assigns) (the "Bank") will (a) waive the handling fee; and (b) waive certain transfer fee during the Service Period in accordance with the relevant terms and conditions in sections (A) and (B) below
3. The services provided in clause 2 above are subject to the prevailing regulatory requirements. In the event of any dispute, the decision of the Bank shall be final and conclusive.
4. The Bank reserves the right to change these Terms and Conditions at any time and the offers may be withdrawn or terminated by the Bank at its discretion without prior notice. The Bank accepts no liability for any such change, withdrawal or termination.
5. No person other than customers who participate in this promotion and the Bank will have any right under the Contracts (Rights of Third Parties) Ordinance to enforce or enjoy the benefit of any of the provisions of these Terms and Conditions.
6. All remarks and footnotes stated in all relevant materials are intended to serve as part of the Terms and Conditions. If there is any conflict between the information contained in the remarks and footnotes and the Terms and Conditions set out herein, the Terms and Conditions set out herein shall apply and prevail.
7. In the event of any discrepancy or inconsistency between the Chinese and English versions of these Terms and Conditions, the English version shall apply and prevail.
8. The services provided in these terms and conditions are held within the HKSAR. All the Terms and Conditions listed herein shall be governed by and construed in accordance with the laws of HKSAR and each participant submits to the exclusive jurisdiction of the courts of HKSAR.

(A) Terms and Conditions for the handling fee waiver

1. Customers are eligible for the handling fee waiver for any subscription of Retail Infrastructure Bonds from 26 November 2024 to 6 December 2024.
2. The fee waiver as advised in Section A of this Terms and Conditions includes the waivers for subscription handling fee, safe custody fee, interest collection fee and redemption at maturity fee for the allocated Retail Infrastructure Bonds.

(B) Terms and Conditions for the transfer fee waiver

1. Customers are eligible for the waiver of transfer fee for any Retail Infrastructure Bonds holding transfer between Central Moneymarkets Units (CMU) and Central Clearing and Settlement System (CCASS) from 17 December 2024 to 31 January 2025.

Risk Disclosure

General risk factors:

1. Investment involves risk. You should carefully consider whether any investment products or services mentioned herein are appropriate for you in view of your investment experience, objectives, financial resources and circumstances.
2. Bonds are mainly for medium to long term investment, not for short term speculation. You should be prepared to invest your funds in bonds for the full investment tenor. You could lose part or all of your investment if you choose to sell your bonds prior to maturity.
3. It is the issuer to pay interest and repay principal of bonds. If the issuer defaults, the holder of bonds may not be able to receive back the interest and principal. The holder of bonds bears the credit risk of the issuer and has no recourse to HSBC unless HSBC is the issuer itself.
4. Indicative bond prices are available and bond prices may and/or do fluctuate when market changes. Factors affecting market price of bonds include, and are not limited to, fluctuations in interest rates, credit spreads, and liquidity premiums. The fluctuation in yield generally has a greater effect on prices of longer tenor bonds. There is an inherent risk that losses may be incurred rather than profit made as a result of buying and selling bonds.
5. If you wish to sell the bonds purchased through HSBC, HSBC may repurchase them based on the prevailing market price under normal market circumstances, but the selling price may differ from the original buying price due to changes in market conditions.
6. There may be exchange rate risks if you choose to convert payments made on the bonds to your home currency.
If a bond is early redeemed, you may not be able to enjoy the same rates of return when you re-invest the funds in other investments.

Issued by The Hongkong and Shanghai Banking Corporation Limited