

Amendments to the Master Terms and Conditions for Bank Accounts

Please note that the Master Terms and Conditions for Bank Accounts (“MTC”) will be amended with effect from 16 February 2021. The changes are made mainly for the following:

- (1) to enhance the provision in clause 23 of Part I of the MTC in view of the COVID-19 pandemic;
- (2) to enable disclosure of certain customer information by our Bank to the other branches and group companies for the specific purposes, with a built-in option available to the account holder under the new paragraph (c) of clause 24 of Part I of the MTC;
- (3) to clarify the provisions relating to personal data under paragraph (b) of clause 25 of Part I of the MTC;
- (4) to clarify the arrangements where one of the holders of a joint account becomes mentally incapacitated (such as having a mental disorder or is mentally handicapped) under clause 32 of Part I of the MTC; and
- (5) to provide for the treatment of the credit balance held in time deposit accounts and time deposit transactions of those account holders who have lost contact with the Bank in Part IV of the MTC.

We set out the amended provisions under the relevant parts of the MTC below, marked to show the changes for your information unless indicated otherwise:

A. Part I – Standard Terms and Conditions: Clause 23 (Events beyond the Bank’s control)

23. Events beyond the Bank’s control

The Bank shall not be responsible for any delay, loss or damage (direct or otherwise) the account holder or any other person suffered or incurred as a result of any flood, storm, fire, strike, riot, government restrictions, the imposition of emergency procedures or suspension of trading by any relevant market, civil commotion, act or threatened act of terrorism, natural disaster, wide spread disease in local community, pandemic, act of God, emergency, war (whether declared or not), electrical failure, transport breakdown, lockdown, mechanical, electronic or other failure or malfunctioning of any computer systems or devices or other events beyond the Bank’s control.

B. Part I – Standard Terms and Conditions: Clause 24 (Provision and Disclosure of Information)

A new paragraph (c) will be added at the end of Clause 24 after the existing paragraph (b) as follows:

- (c) Without prejudice to the generality of the foregoing or any other provisions in these Terms and Conditions, the account holder agrees that the Bank may:
 - (i) notwithstanding any agreement or terms and conditions applicable to any specific products, services or transactions made between the Bank and the account holder from time to time, disclose, transfer and make available any information or data in relation to the account holder, the account holder’s transactions, requirements for any banking or financial products and services and funding needs (collectively “Customer Data”) as the Bank considers appropriate to; and
 - (ii) receive and use Customer Data of the account holder from,

any Bank’s group company(ies) (whether in or outside Hong Kong) to conduct analysis of the account holder’s requirements and needs and for any of the purposes below:

 - (i) improvement of the Bank’s products and services; and
 - (ii) provision of banking and financial products and services which may be made available from the Bank and the Bank’s group company(ies) to the account holder.

The account holder may withdraw the consent given under this paragraph (c) or, if the account holder has withdrawn consent under this paragraph (c), give the consent under this paragraph (c) at any time by serving no less than 14 calendar days’ (or such shorter period of time as the Bank may, but is not obliged to, agree in its sole discretion) prior written notice to and actually received by the Bank at its registered address or such other address as the Bank may specify from time to time.

C. Part I – Standard Terms and Conditions: Paragraph (b) of Clause 25 (Personal Data)

- (b) If any information provided by or on behalf of the account holder to the Bank includes information or personal data of any third party, the account holder confirms and warrants that the account holder has obtained the consent of such third party to the provision of such information or personal data to the Bank for such purposes and for disclosure to such persons (whether in or outside Hong Kong) as may be in accordance with the terms of these Terms and Conditions or the Bank's policies on use and disclosure of personal data set out in statements, circulars, terms and conditions or notices made available by the Bank to its customers (including but not limited to the "Notice to Customers and Other Individuals relating to the Personal Data (Privacy) Ordinance") from time to time. For the avoidance of doubt, such information or personal data may be used by the Bank from time to time for the purpose of conducting "Know Your Customer" checks in respect of any other entities or companies (whether in or outside Hong Kong) of the group which the account holder belongs to, including without limitation, any of its subsidiaries, associated companies or affiliates.

D. Part I – Standard Terms and Conditions: Clause 32 (Joint/Association account)

32. Joint/Association account

If the account is a joint or an association account, (a) each account holder agrees to be jointly and severally liable to the Bank for all obligations, liabilities, authorisations and indemnities or other provisions contained in these Terms and Conditions which may be standing on the Account; (b) references to the account holder shall be construed to be to each of such account holder; (c) unless the account holder has agreed with the Bank otherwise and have completed the relevant authorisation form and signature card and other documents required by the Bank, each of such account holder shall be entitled to operate the account independently from the other account holder(s); (d) the Bank shall be entitled to deal separately with any such account holder on any matter, and may vary the liability or grant time or other indulgence to any such person, without affecting the Bank's rights and remedies against any other such persons; (e) any notice to any such account holder will be deemed effective notification to all such account holder(s); (f) all sums now or in the future received in the name of any one or more of such account holder(s) may be deposited, in the Bank's discretion and in the absence of contrary instructions, in the Account; (g) any balance on deposit to the credit of such Account is and will be owned by such account holder as joint tenants with right of survivorship; and (h) subject to applicable law, on the death of any of such account holder, the Bank will hold any credit balance in the Account to the order of the survivor(s) (without prejudice to any right the Bank may have arising out of any lien, right of set-off, counter-claim or otherwise) or any other action the Bank may deem desirable to commence in view of any claim by any person, and the Bank shall be released from all demands, claims, suits and actions whatsoever by the heirs, executors and administrators of the deceased account holder. Notwithstanding the foregoing, the Bank shall be entitled upon the death of any one of the account holders to suspend or close the account without notice; and (i) all cheques, drafts or other instruments payable to any one or more but not all of the account holders may be collected by the Bank and paid into the Account notwithstanding the same are crossed "Account Payee" or "Account Payee Only" and not endorsed by the payee.

Without prejudice to the generality of the foregoing or any other provisions, if, in relation to a joint account, the Bank becomes aware or receives notice of the unsound mind or mental incapacity (such as mental disorder and mental handicap) of an account holder (the "Affected Account Holder"):-

- (i) the Bank may, in its absolute discretion, suspend operation of the relevant joint account if (aa) any one of such account holder instructs the Bank to stop accepting instructions from any other account holder or any authorised signatory of the joint account (each a "Third Party Signatory" and collectively the "Third Party Signatories"); or (bb) the Bank receives conflicting instructions from two or more of such account holders and the Third Party Signatories, until the Bank receives unanimous confirmation from all account holders and the Third Party Signatories (as the case may be);
- (ii) the Bank may, in its absolute discretion, suspend operation of the relevant joint account until the Bank is satisfied that all of such other account holders are aware of the circumstances and the legal representative(s) of the Affected Account Holder has/have provided the Bank with such information as the Bank requires to resume operations of the joint account; and/or

(iii) the Bank may (but is not obliged to) accept instructions only from the Affected Account Holder's legal representative(s) and all such other account holders if specific signing arrangements have been agreed with the Bank in writing in respect of the relevant joint account pursuant to paragraph (c) above, whereby each of such account holder is not allowed to operate the relevant account independently from the other account holder(s).

E. Part IV – Specific Terms and Conditions for Time Deposit Accounts : Clause 2 (Interest rate)

2. Interest rate

Subject to Clause 5 below, the Bank will pay interest on time deposits placed with the Bank.

The interest rate throughout the deposit period will be simple interest at the rate fixed on the first day of the deposit period, as notified by the Bank to the account holder and indicated on the time deposit slip issued by the Bank to the account holder. Interest on call deposits/deposit at notice accrues from day to day at the prevailing rate as determined by the Bank at its sole discretion. For the avoidance of doubt, no interest shall accrue on the maturity date in any event.

F. Part IV – Specific Terms and Conditions for Time Deposit Accounts: Clause 6 (Disposal instructions)

6. Disposal instructions

The account holder shall give clear disposal instructions (and amendments to such instructions) to be received by the Bank no later than one Banking Day before the maturity date subject to any minimum notice period that may be applicable for the relevant type of deposit. Instructions should be in original writing or any other form as may be agreed between the Bank and the account holder. For the purpose of this section, a Banking Day is a day, other than Saturday, on which the Bank is opened for business in Hong Kong for the full day.

With respect to an account holder with whom the Bank has lost contact for no less than 3 years or such reasonable period as the Bank in its sole discretion deem appropriate, the Bank shall have the overriding right in its sole discretion to suspend the relevant Time Deposit Account or Time Deposit Transaction (as the case may be), and:-

(a) treat the credit balance thereof as a call deposit/deposit at notice as referred to in clause 2 in this Part IV; or

(b) where the Bank considers appropriate in its sole discretion, transfer the credit balance thereof (for the avoidance, including credit balance referred to in (a) above) into a suspense account or any other type of account (with or without interest), as the Bank, in its sole discretion, may deem appropriate.

The latest version of the MTC is available for your collection at our Branch upon request. You are advised to read and understand the document. If you do not agree to the revised MTC, you must notify us of your objection in writing before 16 February 2021. Please note that we may not be able to continue providing services to you if you do not accept the above changes.

If you do not agree to give the consent under the new paragraph (c) of clause 24 under Part I of the MTC, please let us know by serving no less than 14 calendar days' (or such shorter period as our Bank may, but is not obliged to, agree in its sole discretion) prior written notice to our Bank.

Should you have any enquiries on the amendments, please contact our representatives.

Sumitomo Mitsui Banking Corporation
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