

TERMS AND CONDITIONS OF THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (“HSBC/ BANK”) FOR PAYMENTS via SMARTFORM

1. DEFINITIONS:

Customer means a person who provides instructions to and communicates with the Bank to avail the Service (each a 'Customer' which expression shall, where the context requires, include any power of attorney holders or lawful successor of the Customer)

“HSBC Group” means HSBC Holdings plc, and/or any of, its affiliates, subsidiaries, associated entities and any of their branches and offices, and “any member of the HSBC Group” has the same meaning.

“Information Provider” shall mean any person, other than HSBC, who supplies the information and including but not limited to any person who supplies any information to an Information Provider.

Service means Telegraphic Transfers (TT), internal transfers within HSBC , Cashiers orders and Real Time Gross Settlements (RTGS) that are performed via the Smartform of the Bank

2 THE SERVICE

The Services provide an additional means for the Customer to, conduct transactions and dealings with the Bank as shall be made available from time to time and transactions effected by using the Services are subject to these Terms and Conditions.

3 USE OF THE SERVICE

3.1 The Service is for the sole and exclusive use by the Customer.

3.2 The corresponding payments cut off times are updated in the official website of the Bank at www.hsbc.lk. In the event of changes to any of the cut off times stipulated therein, the Customer will be kept informed using any medium the Bank deems fit.

3.3 By use of the Services, the Customer warrants that all information provided by the Customer to the Bank in relation to the Services is accurate, complete and up-to-date.

3.4 The Customer shall not use or knowingly allow any other person to use the Service, the Information and/or the reports for or in connection with any illegal purpose or activity. The Customer shall forthwith notify the Bank in writing or via contact center of the Bank as soon as practicable if he/she becomes aware of such use.

3.5 Any exchange rate, and other prices and information quoted by the Bank on the online channel(s) or otherwise in response to an online inquiry is for reference purposes only and shall not be binding. Any rate, price and information offered by the Bank for the purpose of performing the relevant transaction shall be

binding on the Customer upon the Customer confirming his /her acceptance irrespective of any different rate, price or information quoted by the Bank at the customer inquiry stage.

3.6 (i) Exceptionally, HSBC's undertaking of Financial Crime Risk Management Activity (hereinafter defined) may lead to HSBC screening , delaying, blocking or refusing the making or clearing of any payment, the processing of Customer instructions or Services or the provision of all or part of the Services. To the extent permissible by law, HSBC shall not be liable to the Customer or any third party in respect of any [Loss/loss] howsoever arising, suffered or incurred by the Customer or third party caused in whole or in part in connection with the undertaking of Financial Crime Risk Management Activity.

(ii) HSBC and members of the HSBC Group are required, and may take any action they consider appropriate (in their sole and absolute discretion), to comply with laws, regulations, sanctions regimes, international guidance, HSBC Group internal policies and procedures, and/or demands from any authorities, relating to or in connection with the detection, investigation and prevention of financial crime (referred to as "Financial Crime Risk Management Activity").

3.7 Instructions in connection with the Services given by the Customer shall not be considered to be received by the Bank unless they are given in such manner as the Bank may prescribe from time to time and until the Bank has duly received such instruction in relation to the Service.

3.8 Any instruction given in connection with the Services by the Customer as prescribed by the Bank, once given, may not be rescinded or withdrawn without the written consent of the Bank. All such instructions given, as understood and acted on by the Bank or the relevant member of the HSBC Group in good faith, shall be irrevocable and binding on the Customer whether given by the Customer or by any other person purporting to be the Customer.

3.9 The Bank shall be under no duty to verify the beneficiary account number, name, amount pertaining to the instructions. The Bank does not endorse or express any comment on any Information supplied by any Information Provider nor assume any duty to check or verify any information provided in the instructions/use of this Service.

3.10 The Customer understands that the responsibility to provide correct information whilst using the Service particularly but not limited to the beneficiary account number rests with the Customer. The customer understands the risk of providing incorrect payment instructions or intentionally and/or unintentionally being involved in fraud scams and the Bank shall not bear losses or accept any liability in any manner whatsoever in such instances.

3.11 The Customer shall be fully liable and responsible for all consequences arising from or in connection with use of the Services.

3.12 No handwritten notes or changes to this smart form shall be accepted by the Bank.

3.13 The provision of Services may involve the sale and/or purchase of foreign currency. These transactions could thereafter however be cancelled, and the proceeds refunded and/or returned by the beneficiaries due to any reason whatsoever. In such event, the initial sale and / or purchase of foreign currency and the subsequent cancellation and/or refund shall be treated by HSBC as two separate and distinct transactions. For the avoidance of doubt, in such event, the exchange rate that would be applied by HSBC at the time of refund and/or return of the relevant foreign currency to the Customer would be the relevant rate of exchange applicable and prevailing on such date of refund and/or return and shall not be the exchange rate that was prevalent on the date the transaction was entered into by the use of the Services. Any gains and/or losses consequently and as the case maybe shall be fully borne by the Customer.

3.14 The Bank will only act on an instruction insofar as it is in the Bank's opinion practicable and reasonable to do so and in accordance with its regular business practices and procedures.

3.15 The Bank shall reserve the right to perform any rectifications in the event a Customer is unduly enriched due to an incorrect transaction that may take place due to any lapses.

3.16 The Customer authorizes the Bank to disclose and transfer information relating to the Customer, the Customer's account(s) and/or the transaction(s) executed by the Bank on the Customer's behalf to such person(s) as the Bank may be requested to do so by any law, rules or regulations of any competent jurisdiction in which the Bank executes transaction(s) on the Customer's behalf or any exchange, government or regulatory authority in such jurisdiction.

4. FEES OF THE SERVICE

4.1 The Bank reserves the right to charge fees in relation to the use and/or termination of the Services in accordance with the prevailing tariff of charges of the Bank which shall be available at the branches of the Bank and on the website of the Bank at www.hsbc.lk/tariff.

4.2 The Bank shall determine and give reasonable notice to the Customer of the rate of any fee from time to time before they become effective which shall be binding on the Customer if the Customer continues to maintain or use the Services on or after the effective date.

4.3 Fees and any other charges connected to the Services shall be collected from the Customer in such manner and at such intervals as the Bank may specify.

5. Liabilities of the Bank

The Bank shall be liable for loss or misplacement of funds caused by unauthorized transactions conducted through the use of the Services as a result of :

- i. a computer crime which should have been prevented by the risks control and management measures had the Bank adopted such measures and only to the extent of direct and reasonably foreseeable loss and damage (if any) arising directly and solely therefrom or the amount of the relevant transaction (whichever is less),
- ii. a human or system error of the Bank; or
- iii. a missed or mis-directed payment caused by the gross negligence or willful default of the Bank, its officers or employees.

6. Liabilities of the Customer

The Customer shall indemnify the Bank its directors, officers and employees , any member of the HSBC Group, any Information Provider and their respective officers and employees against all liabilities, claims, demand, losses, damages, costs, charges and expenses of any kind (including, without limitation, legal fees on a full indemnity basis) which may be incurred by any of them and all actions or proceedings which may be brought by or against any of them in connection with the provision of the Services, the Information and/or the Reports or the exercise or preservation of the Bank's powers and rights under these Terms and Conditions, unless due to the gross negligence or willful default of the Bank, any member of the HSBC Group, any Information Provider or their respective officers or employees.

7. Variation and Termination

7.1 The Bank may, at any time, by giving reasonable notice or reason suspend or terminate all or any of the Services or their use by the Customer. In such cases the customer will be notified via SMS to the registered mobile number held with the Bank or using any other medium the Banks deems fit .

7.2 The Bank may revise these Terms and Conditions and/or introduce additional terms and conditions at any time and from time to time. Any revision and/or addition to these Terms and Conditions shall become effective subject to the Bank giving reasonable notice to the Customer which may be given by posting it on the Online Channel(s) or by display, advertisement or other means as the Bank thinks fit, and shall be binding on the Customer if the Customer continues to maintain or use the Services on or after the effective date of variation.

8. Force majeure

Neither party (i.e. Bank or customer) will be liable for any delay in performing or failure to perform any obligations hereunder due to any cause beyond its reasonable control, provided that where performance by one party is dependent upon performance by the other party and such performance is delayed or fails in such circumstances, the other party shall not be obliged to perform (or shall be given such extended time to perform as is necessary in the circumstances) such obligations.

9. Miscellaneous

All the Customers shall be bound by these Terms and Conditions and be jointly and severally liable for all the transactions and dealings effected by using the Services.

10 Governing Law and Jurisdiction

The Services and these Terms and Conditions shall be governed by and construed in accordance with the laws of the Democratic Socialist Republic of Sri Lanka.

Each of the Bank and the Customer submits to the non-exclusive jurisdiction of the Courts of the Democratic Socialist Republic of Sri Lanka but these Terms and Conditions may be enforced in the Courts of any competent jurisdiction.

11. Governing Version

The English version of these Terms and Conditions shall prevail wherever there is a discrepancy between the English version and any other version. The Sinhala and Tamil translations of these terms and conditions are available on the website of the Bank at www.hsbc.lk