



Terms and Conditions of Unit Trust/Time Deposits Offer

When can you enjoy the Unit Trust/Time Deposits offer ("Offer")

1. The Offer is available from 1 Feb 2024 until further notice at our discretion.

Customer eligibility

2. Selected HSBC Premier Elite or HSBC Premier clients of The Hongkong and Shanghai Banking Corporation Limited in Hong Kong ("we" or "Bank") who satisfy the requirements stated in clauses 5 and 6 below ("Eligible Clients").

Conditions of the Offer

3. During the Offer Period, Eligible Clients who place eligible unit trust ("UT") subscription or switching of at least HKD 500,000 or equivalent on any single day ("UT subscription day") can enjoy preferential time deposit interest rates when placing a 1-week or a 1-month HKD or USD or RMB time deposit of an amount between a minimum of HKD10,000; USD2,000; RMB10,000 respectively, to an amount not exceeding the total UT subscription amount (or its equivalent), in accordance with clauses 5 to 10 below. You will be informed of the latest preferential interest rates by your relationship manager upon time deposit placement. Placement of time deposit to enjoy the preferential interest rate is at the absolute discretion of Eligible Clients.
4. The offered currencies, interest rates and deposit periods may change without notice and are subject to our discretion. Deposits in different currencies, deposit periods, amounts and customer types will have different preferential time deposit interest rates. We will confirm and advise you the applicable interest rate at the time when the time deposit is placed.

Subscription or switching of the following funds are not eligible for the Offer:

- Unit trust in FundMax Account
- HSBC Global Money Funds – US Dollar / Hong Kong Dollar / Renminbi
- HSBC GIF – Ultra Short Duration Bond

How can you enjoy the Offer

5. To enjoy the Offer, Eligible Clients must:
 - a. Successfully place eligible UT subscription or switching with at least HKD 500,000 or equivalent investment amount on any single day ("Eligible UT transaction") during the Offer Period through online/branch/Relationship Manager, and
 - b. Successfully set up time deposit(s) of an amount between the specified minimum and an amount not exceeding the total UT subscription amount (or its equivalent) in accordance with the T&Cs set out herein within 14 calendar days after the UT subscription day (For Forward Order, within 14 calendar days after the Forward Order Effective Date), and
 - c. The available currencies and tenors of the time deposit are as specified in Clause 3 with preferential interest rate as communicated by your relationship manager upon your time deposit placement, and
 - d. The placement of time deposit must be under the same Premier account as the UT subscription account, and
 - e. The time deposit placement must be completed through Relationship Manager, and
 - f. The source of funds used to set up the time deposit in paragraph 5(b) above are not from redemption proceeds of the UT subscription in paragraph in 5(a) above.
6. The minimum time deposit amount is HKD 10,000 for HKD placement, USD 2,000 for USD placement, and RMB10,000 for RMB placement.
7. The maximum time deposit placement amount is capped at the total UT subscription amount (or its equivalent) of Eligible UT transaction stated in clause 5a.



8. Eligible Clients can enjoy the Offer more than once as long as Eligible Clients can fulfil the condition stated in clause 5a within the Offer Period.
9. Eligible Clients can set up more than one time deposit per Eligible UT transaction. For example, if the total UT subscription amount is HKD500,000 on a UT subscription day, an Eligible Client can place one time deposit of HKD200,000 (or its equivalent) and one time deposit of HKD300,000 (or its equivalent) (for a total of HKD500,000) within 14 calendar days after the UT subscription day (For Forward Order, within 14 calendar days after the Forward Order Effective Date).
10. Eligible Clients cannot enjoy the Offer if the UT purchase is cancelled or terminated prior to the time deposit placement.

Read before you enjoy the Offer

11. When Eligible Clients enjoy the Offer by setting up a time deposit in their joint account(s), HSBC may disclose such information to the other joint owner(s) of the account.
12. HSBC can change or cancel the Offer or amend the terms and conditions at any time without prior notice to you. Please check with HSBC staff for the latest details, availability and terms and conditions of the offer.
13. In case of any disputes arising out of this Offer, HSBC's decision shall be final and conclusive.
14. HSBC writes these terms and conditions of the Offer under Hong Kong laws.
15. In the event of discrepancy or inconsistency between the English and Chinese versions of the promotional materials and these terms and conditions, this English version shall prevail.
16. No person other than the Eligible Clients and HSBC 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.

Risk Disclosure

Currency conversion risk – the value of your foreign currency and RMB deposit will be subject to the risk of exchange rate fluctuation. If you choose to convert your foreign currency and RMB deposit to other currencies at an exchange rate that is less favourable than the exchange rate in which you made your original conversion to that foreign currency and RMB, you may suffer loss in principal.

Important Risk Warning

1. Unit Trusts are not intended for short investment horizon.
2. Unit Trusts are investment products and some may involve derivatives. The investment decision is yours but you should not invest in the Unit Trusts unless the intermediary who sells it to you has explained to you that the product is suitable for you having regard to your financial situation, investment experience and investment objectives.
3. Unit Trusts are NOT equivalent to time deposits.
4. Investors should not only base on this marketing material alone to make investment decisions.
5. Investment involves risk. Past performance is no guide to the future performance. For details of the investment products, their related fees and charges and risk factors, please refer to the individual product materials
6. In the worst case scenario with Investment Financing, it could expose you to significant losses; you may incur losses in excess of your own initial funds and your investments, and you may be required to repay the Investment Loans in full.

Risk Disclosure – Unit Trusts

1. In the worst case scenario, the value of the funds may be worth substantially less than the original amount you invested (and in an extreme case could be worth nothing).
2. Funds which are invested in certain markets and companies (e.g. emerging, commodity markets and smaller companies etc) may also involve a higher degree of risk and are usually more sensitive to price movements.
3. Credit Risk/Interest Rate Risk – a fund that invests in fixed income securities may fall in value if interest rates change, and is subject to the credit risk that issuers may not make payments on such securities. Price of the

fund may have a high volatility due to investment in financial derivative instruments and may involve a greater degree of risk than in the case with conventional securities.

4. Counterparty Risk – a fund will be exposed to credit risk on the counterparties with which it trades in relation to financial derivative instrument contracts that are not traded on a recognised exchange. Such instruments are not afforded the same protections as may apply to participants trading financial derivative instruments on organised exchanges, such as the performance guarantee of an exchange clearing house. A fund will be subject to the possibility of insolvency, bankruptcy or default of a counter party with which a fund trades such instruments, which could result in substantial loss to a fund.

Risk Disclosure – Investment Financing (if applicable)

1. General risk of Unit Trusts trading

The prices of Unit Trusts vary, sometimes dramatically. The price of a security may move up or down, and may become valueless. It is as likely that you will incur losses rather than making profit when buying or selling Unit Trusts.

2. Risks associated with margin requirements

You must provide us with initial cash amount before subscribing for your investment. The required amount of initial cash is determined by us and can be varied by us from time to time, in our absolute discretion. Any cash and Unit Trusts deposited with us will be charged, pledged and/or assigned to us. If the Portfolio Margin Ratio for your investment exceeds a certain level (e.g. because of a decrease of value of your investment), we may request you to provide additional cash on short notice or sell Unit Trusts to repay all or part of the Investment Loan ("margin call"). The amount of additional cash that we may request you to provide us may be substantial and exceed the amount of initial cash deposited with us. While any Investment Loan provided by us to you remains outstanding, you may be restricted from selling or otherwise dealing with any cash or investments deposited with us.

If you do not act promptly upon receiving of a margin call notice and do not take the required actions (such as selling Unit Trusts and/or repaying the Investment Loans) within the prescribed time, we may have various rights, including the right to sell part or all of your investments, as well as to exercise set-off in relation to any cash that you have deposited with us in connection with your investments ("forced sale"), even in adverse market conditions. You will bear all losses and may remain liable to repay us any resulting deficit in your account (including interests) and any other amounts due from you to us.

Financing your investment with an Investment Loan could expose you to significant losses. As a result of adverse market movements, you may incur losses in excess of your own initial funds and your investments, and you may be required to repay the Investment Loans in full.

We may have the right to sell, at our absolute discretion, part or all of any of your investments and/or appropriate and/or dispose of part or all of the cash or other assets deposited with us and take any other legal action, without notice or demand. For example, we may have such right when due to adverse market conditions the market value of your investments drops significantly and/or your investments cease to be eligible for Investment Financing and/or we need to cover any shortfall and/or reduce your potential exposure to unacceptable risks or heavy losses and/or where you have not complied with your obligations in relation to Investment Financing.

3. Risk of using leverage



The high degree of leverage in connection with Investment Financing transactions can lead to large losses (e.g. in the event we have to force sell your investment) as well as gains. The higher your leverage is, the bigger your losses can be in adverse market conditions.

4. Interest rate risk

Interest rate fluctuations may have an adverse impact on the value of your investments. In addition, where the interest rates by reference to which interests on your Investment Loan are calculated fluctuate, this may adversely affect the return on your investments. In particular, the cost of borrowing may be equal to or exceed the actual return on your investments.

5. Liquidity risk

Investing in certain products may present liquidity risk as under certain market conditions you may have difficulties to sell your investments. In the event we have to force sell your investments, the price at which such sale is concluded may also be affected where there is no or little liquidity in the market for your investments and/or collateral.

6. Commissions, Fees and Charges

You should familiarize yourself with commissions, fees and charges for which you will be liable under Investment Financing transactions as they may affect your net profit (if any) or increase your loss.

This document does not constitute an offer for the purchase or sale of any investment products. 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. The contents of this document have not been reviewed by the Securities and Futures Commission.

Issued by The Hongkong and Shanghai Banking Corporation Limited