

# Personal Banking Agreement

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# Personal Banking Agreement

The Personal Banking Agreement outlines in simple and clear language the terms of the relationship between you, my financial service provider, and me, as your valued customer.

This Agreement covers Personal Accounts (including Term Deposit Accounts), Debit Cards, Telephone Banking, Electronic Banking Services, Foreign Exchange and Premier Customers, and contains new and updated terms that replace all prior agreements relating to those Accounts and Services.

## 1. Definitions

**“Account”** means each Account I have with you (including any Term Deposit accounts).

**“Agreement”** means this agreement and any supplementary terms for the provision of the Personal Banking Agreement published and amended by you from time to time.

**“ATM”** means automated teller machine.

**“Call Deposit”** means a Term Deposit which I may withdraw in whole or in part on either 90 (ninety) or 180 (one hundred eighty) days notice.

**“Confirmation”** means a confirmation for each Term Deposit I make setting out the amount, term, maturity date (if applicable), interest rate and other investment particulars I have selected relating to the Term Deposit.

**“Debit Card”** means each debit card or other financial services card that you issue to me (but not any of my credit cards) that is used to identify me and to authorise Transactions on my Accounts, and includes all or any part of a Debit Card number.

**“Dormant Account”** means an Account that shows no activity for the period of 2 (two) years.

**“Electronic Means”** includes communications sent by email, facsimile, computer or by the use of scanned or digital signatures or any other electronic means.

**“Fee Schedule”** means the current charge, fee and interest rate schedule provided by you from time to time.

**“Fixed Term Deposit”** means a Term Deposit for a fixed period of time.

**“HSBC Group”** means all entities in which HSBC Holdings plc holds, directly or indirectly, a controlling interest.

**“I”, “me” and “my”** mean myself as a client, and each person who has applied for any Service and my heirs, executors, administrators, successors and assigns. **“We”, “us” and “our”** mean two or more persons who maintain a Joint Account.

**“Inactive Account”** means an Account that shows no transactions (other than entries for charges pursuant the Fee Schedule or interest credit or debit) for the period of 9 (nine) months.

**“Instructions”** means any instruction that is or reasonably appears to be given to you by me or my agent.

**“Instrument”** means any cheque, bill of exchange, promissory note, order for payment of money, security, cash, deposit, coupon, note, clearing item, other negotiable instrument or items of deposit or withdrawal of a similar nature, and its electronic equivalent, including an electronic debit instruction.

**“Internet Banking”** means your personal Internet banking service and includes on-line access to Account information, transferring funds between Accounts, bill payments, general information relating to rates and access to other electronic financial products and Services authorised and/or provided by you.

**“Joint Account”** means any Account owned by me and at least one other.

**“Mechanical Signature”** means a scanned reproduction system, a rubber stamp or a printed endorsement.

**“Personal Information”** means any personally identifiable information about me.

**“Premier Customer”** means I have qualified as a Premier customer or have been designated as a Premier customer by you or HSBC Group.

**“Secret Code”** means each access code (whether a combination of letters, numbers or both) for my confidential use that confirms my identity, allows me to access my Accounts and authorise Transactions on my Accounts or to use a particular Service. Examples are my PIN (personal identification number to use my Debit Card), and my Internet Banking password (access code for Internet Banking).

**“Services”** means any and all of the financial and other services that you offer to me, such as:

- banking at your branches;
- any loan products;
- Telephone Banking or other services offered through your call centres;
- using a Debit Card at an ATM or point of sale/debit card terminal (POS terminal) which you approve for use with my Debit Card;

- Internet Banking;
- giving Instructions with my personal computer or other device (by private or wireless network, the Internet, or similar network when available); and
- any other ways you develop to allow me to use my Debit Card or Secret Codes, such as stored value cards or similar devices when available.

**“Statement of Account”** means a statement of account information showing the most recent Transaction(s) for my Account(s) and includes monthly or periodic statements of account prepared and made available to me; a summary of accounts viewed or viewable by me each time I access Internet Banking; a statement sent by you by mail or by Electronic Means, and further includes a statement consolidating information for more than one of my Accounts.

**“Telephone Banking”** means a service provided by you which allows me to perform certain Transactions related to my Account(s) over the telephone.

**“Term Deposit”** means any Fixed Term deposit or any Call Deposit made with you or your subsidiaries.

**“Transactions”** means a financial or other arrangement or exchange performed using any Service, and includes a request for information about any Account.

**“You” and “your”** means The Bank of Bermuda Limited or its subsidiaries.

Words in this Agreement that are in the singular include the plural and vice versa, unless the context requires otherwise.

## 2. My Personal Banking Services - Use and General Information

**Use of Account for Personal Banking:** I agree to use my Accounts and Services for lawful personal banking purposes only. I will not use my Accounts or Services for purposes inconsistent with generally accepted

community standards of conduct or propriety, including matters engaged in or associated with illegal activities. Improper use of any Account or Service entitles you to close all or some of my Accounts or withdraw a Service without notice to me or to place a hold on all or some of my Accounts pending your investigation. I agree to indemnify you against and save you harmless from any damage you may suffer as a result of any such action taken by me or any improper use caused or contributed by me of any of my Accounts or Services. I agree to take all reasonable precautions to prevent fraud on my Accounts or through use of Services.

I undertake at all times to comply with Bermuda Exchange Control Regulations, and agree to notify you immediately of any change of residential status.

I also undertake to notify you of any change of employment which may impact my status with respect to foreign currency purchase tax. I agree to indemnify you against and save you harmless from any damage you may suffer as a result of my failure to notify you of a change of employment which impacts my status with regard to foreign currency purchase tax.

**Information Guides:** You may provide me with updated information guides explaining the procedures for a particular Service. I will use each Service in accordance with the terms of this Agreement and each information guide. My use of any Service confirms that I have read and agreed to this Agreement and the applicable information guide.

**Other Products:** I acknowledge that some products have their own Terms and Conditions that are in addition to this Agreement. My purchase or use of any such product confirms that I agree to its terms and conditions.

**Other Agreements:** This Agreement is in addition to any other agreements I have with you (now or in the future) concerning my Accounts or any Service. If there is a conflict between this Agreement and any of my other agreements, this Agreement will prevail

unless the other agreement expressly states otherwise.

**Applications:** You can require that I apply in writing or by Electronic Means for an Account or Service. I promise that all information I provide in each such application is complete and true.

**Trust Funds:** Unless I notify you otherwise in writing, I certify that my Accounts are not being used on behalf of a 3rd (third) party. Regardless of any such notice, if I am holding any funds as a trustee or fiduciary, you are not responsible to ensure that I use the funds in accordance with my trust or fiduciary duties.

### 3. Service Charges and Interest

I will pay your posted service charges and fees relating to the operation of my Accounts and the use of Services. I authorise you to withdraw service charges from my Accounts. I am subject to your Fee Schedules, which can change from time to time. I am also subject to your details about the rate, payment, and calculation of interest currently applicable to each Account. In addition to service charges and fees relating to the operation of my Accounts and the use of Services, I will pay, and authorise you to withdraw from my Accounts, all expenses you incur in order to respond to a court process, comply with a court order, or address a government issued directive affecting or regarding my Accounts, including but not limited to expenses for searches and production of documents.

### 4. Statements of Account and Records: Rights and Responsibilities

**Receipt of Statements:** You will make available to me a Statement of Account for each Account either by ordinary mail to my most recent address appearing on your records or through such other method as applicable to the Account. I shall be deemed to have received a Statement of Account for the

preceding month, whether I actually receive one or not, on the earlier of: the day I actually receive a Statement of Account; the day on which I become aware of facts that reasonably put me on enquiry as to the possibility of errors, omissions or irregularities affecting my Account including any fraud or unauthorised activity; or 10 (ten) days after the last day of each month whether I actually receive a Statement of Account or not. I shall further be deemed to have received a Statement of Account each time I access Internet Banking.

**Review of Statements:** I agree to examine every Statement of Account as soon as I receive it or am deemed to have received it. I shall immediately and in any event no later than 30 (thirty) days after receiving or being deemed to have received a Statement of Account, give notice to you of any errors, omissions or irregularities, including any fraud or unauthorised activity, included in or preceding each such Statement of Accounts. Unless objected to in writing within 30 (thirty) days of the date on which the Statement of Account is received or is deemed to have been received by me, I agree that your records are conclusive evidence of my dealings with you regarding my Accounts and are correct, complete, authorised and binding upon me, and you will be released from all responsibility for Account activity preceding the Statement of Account pertaining to such errors, omissions, irregularities, fraud or unauthorised activity, including your negligence, (but excluding such due to your gross negligence or wilful misconduct).

**Immediate Notice Requirement:** If I become aware of facts that reasonably put me on enquiry as to the possibility of errors, omissions or irregularities affecting my Accounts including any fraud or unauthorised activity, I shall immediately notify you so as to prevent any ongoing fraud or unauthorised activity. If I fail to do so, any preventable subsequent losses will not be your responsibility.

**Consequence of Breach:** In addition to the consequences set out elsewhere, if I fail to abide by my obligations under this section of the Agreement, and if my conduct or omission causes or contributes to a loss on my Account, then I agree that you will not have any responsibility to me with respect to such loss. In all other circumstances, I acknowledge that your maximum liability to me will be limited to actual direct loss in the principal amount wrongfully or erroneously withdrawn from my Account.

**Admissibility of Records:** I will not object to the admission of your records, including Statements of Account, as evidence in any legal proceeding on the ground that such records are not originals, are not in writing, are hearsay, or are documents containing information extracted from a computer. In the absence of evidence to the contrary, your records are conclusive for all purposes, including litigation, in respect of any Instructions given by me to you, the contents of any envelope deposited by me into an ATM; the making of a withdrawal, deposit or transfer through the use of a Debit Card, and any other matter or thing relating to the state of Accounts between me and you in respect of any Transaction.

## 5. Cheques and Other Instruments

**Deposit of Instruments:** Unless you receive written Instructions from me to the contrary, I waive presentment, protest and notice of dishonour of all cheques and other Instruments.

**Your Rights:** You can note or protest any cheque because of any endorsement other than mine or for any other reason if you, in your discretion, consider it in the best interests of you or me. You will not under any circumstance be liable for failure to or wrongly noting or protesting of any cheque or other Instrument. All Instruments can be forwarded for collection or payment to the payer or to any correspondent who will be deemed my

agent. You will not be liable for any default or negligence of any correspondent, or for any delays or losses in transit. You can accept a cheque, draft or credit as conditional payment in lieu of cash.

**Holds:** I agree that you may place a “hold” on funds in any of my Accounts, restricting my right to make a withdrawal:

- (a) when funds on Account are based on any non-cash Instrument, until you receive actual irrevocable payment from the drawee (any credit to my Accounts for any non-cash Instrument before you receive actual irrevocable payment is provisional and subject to reversal); or
- (b) if you become aware of suspicious or possible fraudulent or unauthorised Account activity that may give rise to a claim against or cause a loss to you, an identifiable 3rd (third) party or class, or me; or
- (c) if, in your opinion, a potentially legitimate claim is made by a 3rd (third) party on those funds, (if such claim is not resolved in a reasonable amount of time, you may after notice to me and passage of a reasonable time, pay the claim or apply to any court of competent jurisdiction to seek directions.)

I agree to indemnify you for any expense or cost incurred by you arising from the need to place a hold on any of my Accounts. If you place a hold in accordance with this Agreement, you will not be liable for any resulting loss consequential or otherwise.

**Charge Backs:** You can, at any time, charge my Account with any Instrument, whether returned or not, if in your opinion, payment is not likely to be received, or if the payment was induced through fraud or forgery in any way whatsoever.

**Stop Payments:** If I wish to stop payment on an Instrument drawn on my Account I may do so by sending a written Instruction

to you. I acknowledge that you are not able to stop payment on any Instrument which has already been presented for payment or which has been certified, and that you are not able to reverse any previously requested stop payment if the Instrument has already been dishonoured. I agree that you will not be liable for complying with or failing to comply with a stop payment request, even if such failure is as a result of your negligence.

**Mechanical Signatures:** I will not adopt or use any Mechanical Signatures for any Instrument in relation to any of my Accounts. If I use a Mechanical Signature for any Instrument in relation to any of my Accounts, I agree that you are authorised to accept any similar Mechanical Signature as my actual endorsement or signature for any subsequent Instruments transacted on my Accounts (whether or not I have authorised such Mechanical Signature) and I agree to save you harmless for any Instruments so negotiated.

## 6. Joint Accounts

### **This section applies to each Joint Account**

**I have with you:** Unless we specify to you in writing that we must give Instructions together, any one of us can give Instructions to you with respect to the Account, including Instructions for any of the following as permitted by this Agreement:

- (a) withdraw any portion of the Account;
- (b) sign cheques on the Account;
- (c) accept Statements of Accounts, Confirmations, notices and give notice of errors or objections;
- (d) deposit in the Account any Instrument payable to or for the credit of one or more of us;
- (e) accept salaries which form part of or are linked with the Account;
- (f) require you to make payment to one of us alone (if the Account is a Term Deposit)

and such payment by you to any one of us will be a complete discharge of your obligations for that Account;

- (g) add persons as additional Joint Account holders;
- (h) close the Account; and
- (i) amend the signing authority on the Account.

Unless we specify to you in writing otherwise we have rights of survivorship and all of us assign and transfer the money in the Account including any interest earned to all of us, subject to satisfaction of debts or liabilities owing by the deceased to you immediately prior to death. The money in the Account and all interest earned is our joint property with right of survivorship, so if one of us dies, the Account will automatically become the property of the survivors. The survivors' rights and duties under this Agreement will remain the same including the right to continue to deal with the Account.

## 7. Term Deposits

### **The following sections apply to each Account I have with you for Term Deposit:**

You will issue me a Confirmation for each Term Deposit I make setting out the amount, term, maturity date (if applicable), interest rate and other investment particulars I have selected relating to the Term Deposit. I agree that the Confirmation is non negotiable and that neither the Confirmation nor the Term Deposit is transferable. You may issue the Confirmation in written form or in electronic form when it becomes available.

**Interest:** Interest will be paid only on maturity of the Term Deposit. Interest on each Term Deposit is not compounded unless stated on the Confirmation.

**Reinvestment:** If I have selected a reinvestment option at the time I make a Term Deposit, you will, unless you notify me otherwise, reinvest the Term Deposit (and

interest if applicable) on the maturity date for the same term as the original Term Deposit, unless I instruct you otherwise in writing before maturity. The interest rate payable by you on reinvestment will be the rate of interest applicable on the date of renewal as posted in the branch of my Account, and will be calculated and paid in the same manner as the maturing Term Deposit. I agree that you are not required to renew any Term Deposit upon maturity. I will not receive any interest for a Term Deposit after the end of any term unless the Term Deposit has been renewed at the end of such term. If a Term Deposit has not been renewed upon maturity, it will be a non-interest bearing demand deposit after the date of maturity.

### **The following sections apply to Fixed**

**Term Deposits:** I may provide Instructions to you to hold a Fixed Term Deposit. A Fixed Term Deposit must be a minimum amount as advised by you from time to time. You will hold this Fixed Term Deposit at your prevailing rates as set out in the Confirmation. After the Fixed Term Deposit is established I will not be able to make withdrawals or further deposits prior to the maturity date. If I instruct you to terminate the Fixed Term Deposit prior to the maturity date then I will incur the relevant penalty charges in accordance with your policy in force from time to time.

**Payment:** I agree that payment of principal or interest by you on a Fixed Term Deposit may be done either by crediting another Account of mine or by renewing the Fixed Term Deposit for an additional term (if applicable). I agree that payment made in this manner and in accordance with the Confirmation will fully discharge you of all obligations regarding the Fixed Term Deposit and any accrued interest on the Fixed Term Deposit.

**Security:** I agree that nothing contained in this Agreement will prevent me from granting you a security interest in the Fixed Term Deposit, nor will anything in this Agreement or the

Confirmation diminish your right of set-off or compensation.

**Early Withdrawal and Termination Fee:**

After the Fixed Term Deposit is established, neither withdrawals nor further deposits will be permitted prior to the maturity date. Should I wish to withdraw funds in the Fixed Term Deposit prior to the maturity date, the Fixed Term Deposit will be terminated and I will incur relevant charges in accordance with your policy in force from time to time.

**The following sections apply to Call**

**Deposits:** I may provide instructions to you to hold a Call Deposit. The minimum initial deposit that you will accept is an amount as advised by you from time to time. You may at any time pay me the deposit and accrued interest and close the account. Interest will be calculated on a 365 (three hundred and sixty five) day year basis from the date of the Call Deposit. The interest rate will be a floating rate and you may change the rate from time to time without giving me notice. The withdrawal of the Call Deposit is subject to the following conditions:

- (a) if at the time of withdrawal there has been an overpayment of interest on the Call Deposit, you may deduct the overpayment from the Call Deposit;
- (b) in order to withdraw my Call Deposit, I must give you the minimum written notice as set out in the Confirmation. I cannot give you such a notice until after the time set out in the Confirmation has passed;
- (c) a withdrawal must be a minimum amount as advised by you from time to time;
- (d) the minimum permitted balance of the Call Deposit is an amount as advised by you from time to time, and I may not bring the Call Deposit below the minimum permitted balance without the account being closed;
- (e) you may, at your sole discretion, allow for a withdrawal to be taken without the required written notice, provided that any

such withdrawal will be subject to your standard withdrawal charges prevailing at the time;

- (f) where I give notice of withdrawal for any amount, no interest will accrue on that amount after the expiration of the notice of withdrawal;
- (g) you may, at your sole discretion, limit the amount of funds that may be withdrawn from this account during any single calendar month, which will be advised by you from time to time.

**8. Account and Banking Service Limits**

**Limits:** At any time you can establish or change dollar or other limits in relation to any particular Service or any particular type of Account, with or without notice to me. For example, you can fix a limit on the amount of cash I can withdraw or transfer from any particular Account, in any one day, using a particular Service. You will not be liable for any loss or damage suffered by me by reason of establishing or changing any limit.

I will not make any withdrawal, transfer, or payment from any Account that exceeds the balances in the Account or the unused balance of an authorised overdraft or line or credit. I acknowledge that you can require me to give 7 (seven) days' prior notice before I make a withdrawal, redemption, or transfer from any Account.

**Account Charges/Set-Off:** You can charge to any Account or set-off or compensate as between my Accounts, any of my indebtedness or liabilities to you or any other member of HSBC Group even if this creates or increases an overdraft. I will be liable for any amount charged plus fees as applicable. On demand, I will pay to you the amount of any overdraft plus interest, compounded monthly, plus interest upon interest at your then current rate for such an overdraft. You can collapse any Term Deposit I have made with you and

apply the proceeds (including accrued interest, if any) to the overdraft, plus interest, owing to you. For Joint Accounts, we all agree that the full amount on deposit, or any portion of the amount on deposit, can be applied to the payment of any indebtedness or liability to you, irrespective of contribution.

**Collateral:** All collateral held as security now or subsequently held by you, in respect of any of my indebtedness to you, will also be security for any and all of my indebtedness arising from the use of my Debit Card or any Service, and you can at any time, without notice to me, apply such security to such indebtedness.

## 9. Giving Instructions

**Types of Instructions:** You can rely upon any Instructions that appear to be given by me or my agent, by Electronic Means or by Telephone Banking (by speaking or by pressing the number pads), but only if you reasonably believe that the Instructions have come from me or my agent. I authorise you to accept such Instructions, as if I had given signed written Instructions.

### Electronic Means and Telephone

**Instructions:** I authorise you to accept without any further verification, and I agree to be responsible for and indemnify you against and save you harmless from any damage you may suffer as a result of Instructions, agreements and documents for Transactions submitted to you by Electronic Means or telephone if you reasonably believe that the Instructions have come from me or my agent. I agree that what in your reasonable determination appears as my signature on Electronic Means Instructions or documents (whether or not actually signed by me) binds me legally and makes me responsible to the same extent and effect as if I had given original signed Instructions, (except if you have been grossly negligent or acted with wilful misconduct). There may be some types of Instructions or documents you will not accept by Electronic Means or Telephone, and I understand that you reserve

the right to refuse any Electronic Means or Telephone Instructions or documents in your sole discretion.

**Recordings:** I consent to you making an audio recording of any telephone call, or a record of any electronic communication I will have with you to preserve the context of all Instructions or other information I provide to you.

**Identity or Authority:** You are not required to confirm the identity or authority of any person using my Debit Card or Secret Codes to make Transactions. You can in your discretion require proof satisfactory to you at any time of the authority of any person seeking to make Transactions on my behalf (including a person purporting to act on my behalf pursuant to a power of attorney) and may defer acting on such Instructions while you conduct any such searches or investigations as you consider appropriate. You can refuse to accept Instructions from any such person if you are not entirely satisfied with such proof of authority, and in the case of a power of attorney, proof satisfactory to you that the power of attorney has been validly granted and is effective and is being used for a lawful purpose. You will not be liable for any loss or damage suffered by me or by a 3rd (third) party because of any failure of or refusal by you to give effect to any Instructions or for any delay in implementing Instructions regardless of the reasons for such failure, refusal or delay, (other than your gross negligence or wilful misconduct).

## 10. Transfers from My Account (bill payments, wire transfers, etc.)

**Authorising Transfers:** I authorise you to make transfers from my Accounts to any other person (including a merchant or other company) designated in accordance with Instructions given through a Service. I understand that the processing of a transfer to another person, for example bill payments, can require two or more banking days for completion.

**Liability:** You will not be liable for:

- (a) any loss resulting from the fault or negligence of the receiving bank or from delay in making a transfer to another person arising from such fault or negligence; or
- (b) any delay in giving effect to Instructions due to incomplete or inaccurate information provided to you.

**Reversing Transfers:** After I request a transfer, I might not be able to reverse it. If I request that a transfer be reversed, I will not be credited with the funds until the receiving institution returns the funds. The funds I receive will be less the receiving institution's charges and any other charges made by you.

**Other Charges:** Unless otherwise required by law, all charges, taxes, duties and tariffs of any kind imposed on a transfer by a receiving institution or government authority, inside or outside Bermuda, are the responsibility of the person receiving the funds.

## 11. Foreign Currency Transactions

For any Instructions relating to a foreign currency, you will convert the funds on Account to the appropriate currency at the standard applicable exchange rate set by you at the time you complete the Transaction and my Account will be charged or credited, as applicable, for the converted amount in the currency of that Account, plus applicable fees and taxes.

## 12. Inactive and Dormant Accounts

I acknowledge and agree that without your written consent, I may not be able to make withdrawals from any such Inactive or Dormant Account. No interest is payable by you in respect of an Inactive or Dormant Account. The Account reactivation fee will be applied by you prior to the activation of such an Account.

## 13. Debit Cards

**Performing Transactions:** I can use my Debit Card and Secret Code to perform Transactions through an ATM or POS Terminal or similar device or on the Internet or other electronic means, including deposits, withdrawals and transfers to and from specified Accounts. I understand you might need to verify any deposit made through my Debit Card before I can withdraw or transfer the money deposited.

I will sign the Debit Card and any replacement issued on expiry or loss thereof, immediately upon receipt.

The Debit Card may only be used if sufficient funds are available for use in the Account and you will not be liable if the Debit Card is not honoured. Should I exceed my limit, a charge will be applied in accordance with a Fee Schedule. You are not liable if the Debit Card is not honoured.

You have the right to stipulate a daily amount I can spend and/or withdrawal using my Debit Card.

I must sign a sale or cash voucher every time the Debit Card is used for direct payment, but failure to sign does not relieve me from any responsibility for payment.

I am liable to you for all transactions effected by the unauthorised use of the Debit Card prior to receipt of such notice as if I had used it personally; however (except in respect of a deductible), unauthorised transactions up to a pre-determined amount as set by you shall be reimbursed to the operating account under my loss/theft insurance cover. As soon as I give notice as aforesaid, liability for subsequent unauthorised sales and cash withdrawals ceases. I undertake to assist you and provide all relevant information as to the circumstances surrounding the loss or theft of the Debit Card.

Debit Cards and Secret Codes remain your property at all times; however, you reserve the right to cancel the Debit Card without notice and on being notified of such cancellation, I

undertake to return such cancelled Debit Card forthwith to you.

## 14. Security and Confidentiality of Debit Cards

My Debit Card and Secret Code are for my use alone and I will keep them confidential and not reveal them to any person. I will take all reasonable precautions to maintain the secrecy and prevent unauthorised use of my Debit Card and Secret Codes.

## 15. Lost or Stolen Debit Cards and Secret Codes

If I know or suspect that any Secret Code is known by anyone else or if my Debit Card is lost, stolen or misused, I will notify you as soon as possible by contacting any of your branches or by phoning the numbers provided by you from time to time. Currently the telephone number is (441) 299-5959.

## 16. Liability

I will be liable for all losses that occur as a result of authorised or unauthorised use of any Debit Card, Secret Code or Service.

However, I will not be liable for losses that occur after I notify you that my Debit Card has been lost or stolen, that I suspect any of my Secret Codes might be known by anyone else, or that any other unauthorised use of a Service may be occurring or for any losses resulting from your errors, technical problems or system malfunctions, as well as for losses resulting from circumstances beyond my control, including, but not limited to, losses occurring after notification or cancellation, such as losses which result from unauthorised use of a Debit Card or a Secret Code after I notify you and you have received notice that the Debit Card has been lost or stolen or that I suspect the Secret Code is known by anyone else.

## The following sections apply to losses that occur through an ATM or POS Terminal – I will be liable for the following:

I will be deemed to have contributed to unauthorised use if:

- a) I voluntarily disclose a Secret Code to anyone, write it on or near my Debit Card, or keep a poorly disguised written record of it on or near a Debit Card; or
- b) I fail to notify you within a reasonable time that a Debit Card has been lost or stolen, or that I suspect that my Secret Code is known by another person; or
- c) I select a Secret Code which is based on the number on my Debit Card, or on my or a close relative's name, birth date, telephone number or address.

## 17. Reversed Transactions

You can refuse to complete or reverse any Transaction if:

- (a) the Transaction is one that cannot be processed by you or cannot be completed for any cause beyond your reasonable control;
- (b) the Transaction exceeds my balance or credit limit;
- (c) the Transaction is a payment to a financial institution or other person that does not accept the Transaction;
- (d) there is an operational failure, malfunction or unavailability of a Service;
- (e) the Transaction involves any Account that you consider inactive;
- (f) the Transaction exceeds an established limit for the applicable Service or is not permitted by the terms of the Services; or
- (g) you do not receive proof satisfactory to you of the authority of a person giving Instructions on my behalf.

## 18. Payment Screening

You and other members of the HSBC Group are required to act in accordance with HSBC policies, the laws and regulations operating in various jurisdictions which relate to the prevention of money laundering, terrorist financing and the provision of financial and other services to any persons or entities which may be subject to sanctions. You may take, and may instruct other members of the HSBC Group (and may be instructed by other members of the HSBC Group) to take any action which you, in your sole and absolute discretion, consider appropriate to take to comply with any such HSBC policies, laws and regulations to which you or any other member of the HSBC Group is subject. Such action may include but is not limited to: the interception and investigation of any payment messages and other information or Instructions sent to or by me or on my behalf via your systems or any other member of the HSBC Group's systems; and making further enquiries as to whether a name which might refer to a sanctioned person or entity actually refers to that person or entity.

Notwithstanding any provision of this Agreement, neither you nor any member of the HSBC Group will be liable for loss (whether direct, consequential or loss of profit, data or interest) or damage suffered by any party arising out of:

- (a) any delay or failure by you or any member of the HSBC Group in performing any of its duties under this Agreement or other obligations caused in whole or in part by any steps which you, in your sole and absolute discretion, consider appropriate to take in accordance with all such HSBC policies, laws and regulations; or
- (b) the exercise of any of your rights under this clause.

In certain circumstances, the action which you may take may prevent or cause a delay in the processing of certain information. Therefore, neither you nor any member of the HSBC Group warrants that any information on your systems relating to any payment messages and Instructions 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. Subject to the overriding requirements of any applicable HSBC policies, laws and regulations, you will endeavour to notify me of the existence of such circumstances as soon as is reasonably practicable.

## 19. Changes in Service

You can periodically, and without prior notice to me, change, discontinue or add to any Service and the procedures, hours of operation and other attributes of a Service, including my status as a Premier Customer if applicable. You will not be liable for any loss or damage suffered by me as a result of any change, discontinuance or addition to any Service, or (subject to this Agreement) the operational failure, malfunction or unavailability of any Service for any reason.

## 20. Changes to this Agreement

You can change this Agreement periodically without prior notice to me and will notify me of a change by, at your option:

- (a) displaying the notice at your branches, or ATMs or other locations designated by you for a period of 10 (ten) days;
- (b) mailing me a copy of the revised Agreement to my last known address;
- (c) providing written notice of the revised Agreement on my Statement of Accounts or sending me notice by electronic mail, or other Electronic Means;

- (d) posting a copy of the revised Agreement on your website for a period of 10 (ten) days prior to its effective date.

If I wish, I can also obtain a copy of the revised Agreement at any of your branches.

If I conduct any Transaction or use any Service after the effective date of a change to this Agreement, it will mean that I agree to the terms of the revised Agreement for all Transactions thereafter.

## 21. Resolving Disputes

**With You:** If I have a dispute with you regarding any matter affecting my Account or my use of a Debit Card or Service, I will bring it to your attention. During the process of resolving a dispute concerning a Debit Card, I will not be unreasonably restricted from the use of the funds that are the subject of the dispute. I shall not initiate any proceedings relating to any dispute arising from this Agreement, or use of my Accounts or Services until after I provide you with written notice of the nature of the dispute, and allow you 21 (twenty one) working days from the delivery of such notice to you to resolve the dispute to my satisfaction and any proceeding commenced in contravention hereof shall be a nullity.

**With Others:** If I purchase goods or services from a merchant using a Service, I must settle any dispute regarding the goods or services directly with the merchant. You are not responsible for any problems with such goods or services. If I have a dispute with a person to whom I send money (for example, a dispute regarding a bill payment, late fees, or interest penalties), I must settle the dispute directly with that person.

## 22. Terminating this Agreement or a Service

The terms of this Agreement shall survive the termination or withdrawal of Services

and will continue to apply with respect to determination of responsibility and resolution of all disputes for events, acts or omissions occurring before or circumstances as exist as at the time of the termination or withdrawal. For example, you may subsequently: exercise your right of set-off for amounts due or accruing due to you as at the time of termination; use Personal Information that I have given to you prior to termination; or you or I can refer to and rely on this Agreement in resolution of any dispute.

You can withdraw or terminate my right to use any or all Services at any time without prior notice to me. You will have no liability to me for any loss or inconvenience that may result, unless such was caused by your gross negligence or intentional wrongful act.

I can terminate this Agreement (except as it applies to any deposit I have made with you) at any time upon written notice to you, and effective only when you receive the notice. I can give you notice at any of your branches at which I have an Account, or in any other way permitted by you. If I terminate this Agreement, I will immediately return to you all Debit Cards and other items identified by you as your property.

## 23. Consent Re: Personal Information

**Personal Information including Credit Information:** I agree that you, the HSBC Group and your service providers may, where permitted by law, collect my Personal Information, including credit reports and other financially-related information, from and disclose such Personal Information to each other and to 3rd (third) parties such as credit reporting agencies, and credit bureaus, and those income sources and personal references that I advise to you. You may collect and update my Personal Information during the course of our relationship. You may disclose my Personal Information to companies within the

HSBC Group and to promote the products and services of select 3rd (third) parties.

To prevent crime, verify my identity, recover debt and to meet your legal obligations, you may exchange information (both within Bermuda and, where appropriate, overseas) with other members of the HSBC Group and where appropriate, with fraud prevention, law enforcement, debt recovery agencies and other organisations including other lenders.

If I give you false or inaccurate information and fraud is identified, details will be passed to fraud prevention agencies to prevent fraud and money laundering.

The HSBC Group may use and share relevant information about me, my Transactions and my relationships with the HSBC Group for credit assessment, customer service, market research, insurance, debt collection, audit and administrative purposes. This may include information provided by me, or someone acting on my behalf. Where appropriate (for example if I have relationships with other HSBC Group companies in other countries), this information may be shared with HSBC Group companies outside Bermuda.

You may use other HSBC Group companies and/or 3rd (third) parties to provide Services on my behalf which may include the processing of information about me.

Whether it is processed in Bermuda or overseas, my information will be protected, by a strict code of secrecy and security which all members of the HSBC Group, their staff and any 3rd (third) parties are subject to.

Information may also be processed for the purposes of complying with applicable laws, including anti-money laundering and anti-terrorism laws and regulations and fighting crime and terrorism. This may require the disclosure of information to a Bermuda or overseas governmental or regulatory authorities or to any other person you reasonably think necessary for these purposes.

For more information about the principles of privacy observed by you, I will consult your Privacy Statement, available at your nearest branches or [www.bankofbermuda.com](http://www.bankofbermuda.com)

## 24. Governing Law

This Agreement and all Services and issues relating to the operation of my Account will be governed exclusively by the laws of Bermuda and I agree to exclusively attorn to and be bound by the courts of Bermuda.

## 25. General Terms

**Notices:** Except as expressly set forth in this Agreement or requested by you, all notices required to be given under this Agreement will be in writing and communicated by postal mail, courier or hand delivery. If by postal mail, the document is deemed received 5 (five) calendar days after posting.

**Severance:** If any part of this Agreement is held unenforceable for any reason, the unenforceable portion of this Agreement will not affect the enforceability of the remainder of this Agreement, which will continue in full force and effect as if this Agreement had been executed without the unenforceable portion.

**No Waiver:** No waiver by you of any breach or default under this Agreement will be deemed to be a waiver of any preceding or subsequent breach or default.

*THIS VERSION OF THIS AGREEMENT IN EFFECT SINCE 29 AUGUST 2008.*

**[www.bankofbermuda.com](http://www.bankofbermuda.com)**

**Issued by The Bank of Bermuda Limited, Member HSBC Group.  
We are a principal member of the HSBC Group, one of the  
world's largest banking and financial services organisations  
with approximately 10,000 offices in 84 countries and territories.**

The Bank of Bermuda Limited  
6 Front Street  
Hamilton HM 11  
Bermuda

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