

TERMS AND CONDITIONS OF OPENING PLN
AND FOREIGN EXCHANGE TERM DEPOSITS
BY CORPORATE CUSTOMERS OF HSBC
CONTINENTAL EUROPE (SPÓŁKA AKCYJNA)
ODDZIAŁ W POLSCE

§1 DEFINITIONS

- 1.1 Deposit – a Deposit Amount placed by the Customer in the Bank’s technical account or in a bank account maintained by the Bank for the Customer on which Deposit Interest Rate is calculated,
- 1.2 Deposit Opening Date – a commencement date of the Deposit Term on which the Customer places a Deposit in the Bank,
- 1.3 Deposit Return Date – a day on which the Transaction is settled,
- 1.4 Deposit Amount – a sum of money placed by the Customer as a Deposit,
- 1.5 Minimum Deposit Amount – 100,000.00 (one hundred thousand) in PLN currency and 50,000.00 (fifty thousand) of the nominal value of a currency other than PLN in which the Bank offers Deposits,
- 1.6 Interest – a payment due to the Customer for keeping a Deposit in the Bank, paid by the Bank on the Deposit Return Date,
- 1.7 Deposit Term - a period between the Deposit Opening Date (including that day) and the Deposit Return Date (excluding that day) during which keeping a Deposit by the Customer causes an obligation for the Bank to pay Interest,
- 1.8 Deposit Interest Rate – fixed throughout the entire Deposit Term, determined on an annual basis,
- 1.9 Product Terms and Conditions – these Terms and Conditions of opening PLN and foreign currency term deposits by corporate Customers of HSBC Continental Europe (Spółka Akcyjna) Oddział w Polsce,
- 1.10 Transaction – a financial transaction pursuant to which the Customer places a Deposit in the Bank,
- 1.11 Master Agreement – agreement between the Bank and the Customer under which Transactions as per the Product Terms and Conditions may be entered into,
- 1.12 Deposit Currency – a currency in which a Deposit is denominated.

§2 INTRODUCTORY PROVISIONS

- 2.1 These Product Terms and Conditions specify in detail the essence of Transactions, the obligations of the Parties resulting from the entry into Transactions, terms of such Transactions, principles of settlement thereof.
- 2.2 The Bank shall have the right to reduce or increase the Minimum Deposit Amount for selected Customers.
- 2.3 The Customer authorises the Bank to dispose of the Deposit Amount to the extent allowing the performance of the provisions of the Product Terms and Conditions.
- 2.4 The execution and settlement of Transactions shall not require Collateral.

§3 ENTRY INTO TRANSACTIONS

- 3.1 The Customer and the Bank shall enter into Transactions in accordance with the provisions of the Product Terms and Conditions and the Master Agreement.
- 3.2 When entering into the Transaction the Parties shall agree on the following terms:
 - (a) Deposit Currency,
 - (b) Deposit Amount,

- (c) the level of the Deposit Interest Rate,
- (d) Deposit Term (Deposit Opening Date and Deposit Return Date).

3.3 On the Deposit Opening Date:

- (a) the Bank shall debit the Customer's Settlement Account with the Deposit Amount,
- (b) if the Settlement Account is not a bank account maintained for the Customer by the Bank, the Customer shall transfer the Deposit Amount to the Bank's technical account notified to the Customer after signing the Master Agreement.

3.4 If a full Deposit Amount is not received by the Bank on the Deposit Opening Date, the Transaction shall be deemed as not concluded and the Customer shall pay to the Bank a contractual penalty of 0.025% of the Deposit Amount which was not opened.

§4 TRANSACTION SETTLEMENT

4.1 On the Deposit Return Date the Bank shall credit the Settlement Account with the Deposit Amount increased by Interest payable to the Customer.

4.2 The provisions of clause 1 shall not apply if as a result of Customer's negotiations with the Bank conducted not later than on the Deposit Return Date and on principles described in the content of the Product Terms and Conditions, terms of a new Deposit are agreed. In such a case only a part of the Deposit Amount which was not covered by contractual terms for the new Deposit shall be transferred to the Settlement Account.

4.3 Interest shall accrue in accordance with the actual number of days of the Deposit Term and assuming that the year consists of:

- (a) in the case of the following currencies: PLN, pound sterling and Australian dollars – 365 days,
- (b) in the case of the following currencies: euro, American dollar - 360 days,
- (c) in the case of currencies other than those listed in items (a) and (b) above – the standard number of days used on the inter-bank market.

§5 EARLY WITHDRAWAL OF A DEPOSIT

5.1 The Customer may, by placing an instruction to withdraw funds from the Deposit before the Deposit Return Date, withdraw the entire Deposit Amount before the end of the Deposit Term.

5.2 An instruction to withdraw the Deposit before the Deposit Return Date shall be placed by any way in which the conclusion of the Transaction is acceptable. The provisions of § 3 of the Product Terms and Conditions shall apply accordingly.

5.3 Funds from the withdrawn Deposit shall be transferred to the Settlement Account in one Business Day after the Customer places an instruction to withdraw the Deposit.

5.4 Subject to the next sentence and clause 5.7 below, in the case of an early withdrawal of the Deposit the Bank shall pay 30% of the Interest for the actual number of days of the Deposit Term. If, however, the actual number of days of the Deposit Term was less than 31 calendar days (including that day), Interest shall not be payable to the Customer at all, unless the Bank decides otherwise.

5.5 An early withdrawal of the Deposit Amount shall not require a delivery of a Confirmation to the Customer.

5.6 The Customer shall have no right to withdraw a part of the Deposit Amount. If the Customer makes such

proposal, the entire Transaction shall be settled early and a new Transaction shall be entered into for a part of the Deposit Amount which the Customer intends to place with the Bank again.

- 5.7 If the Customer decides to withdraw the Deposit before the Deposit Return Date, the Customer shall cover all losses suffered by the Bank as a result of such an early withdrawal, including but not limited to losses stemming from increased costs of funding.

§6 MISCELLANEOUS

- 6.1 The Bank may amend the Product Terms and Conditions.
- 6.2 An amendment of Appendix no. 1 shall be made by sending the new wording of this document by the Bank.
- 6.3 The amended Product Terms and Conditions shall be delivered to Customers with whom the Bank previously entered into Transactions.
- 6.4 The amended Product Terms and Conditions shall become effective on the date set by the Bank, however not earlier than after 14 days from their delivery, unless the Customer terminates the Master Agreement signed with the Bank within 14 days from a receipt of the amended Product Terms and Conditions.
- 6.5 The amended Product Terms and Conditions shall apply to Transactions entered into after the date they became effective.

Appendix No 1 to the Terms and Conditions of opening PLN and foreign currency term deposits by corporate Customers of HSBC Continental Europe (Spółka Akcyjna) Oddział w Polsce

General information regarding the protection of deposits

Information questionnaire for depositors

Deposits in HSBC Continental Europe are protected	The Fonds de Garantie des Dépôts et de Résolution (the FGDR).
Limit of protection:	EUR 100,000 per depositor per credit institution (see note 1). HSBC Continental Europe also uses the following trading names: In France : HSBC; HSBC Private Banking In Poland : HSBC Continental Europe (Spółka Akcyjna) Oddział w Polsce
If you have more accounts at the same credit institution:	All your eligible deposits recorded in your accounts at the same credit institution are aggregated and the total is subject to the limit of EUR 100,000 (or equivalent in the applicable currency) (see note 1).
If you have a joint account with other person(s):	The limit of EUR 100,000 applies to each depositor separately. The balance in a given joint account is shared out between joint account holders. The share allocated to each joint account holder is added to own balances of each joint account holder in order to calculate the guarantee limit applying to each (see note 2).
Other special cases:	See note 2.
Reimbursement period in case of credit institution's failure:	Seven (7) business days (see note 3).
Currency of reimbursement:	EUR
Contact:	Fonds de Garantie des Dépôts et de Résolution (FGDR) 65, Rue de la Victoire, 75009 Paris, France Tel.:+33 (0) 158 183 808 Email: contact@garantiedesdepots.fr
More information:	Visit the FGDR's website: www.garantiedesdepots.fr

Additional information:

Note 1: General limit of protection

If a deposit is unavailable because a credit institution is unable to meet its financial obligations, depositors are repaid by a deposit guarantee scheme. The limit of protection is EUR 100,000 per person per credit institution. This means that all accounts showing a credit balance with a given credit institution are aggregated in order to determine the amount eligible for coverage under the deposit guarantee scheme (subject to the application of legal or contractual provisions relating to set off with a debit balance). The limit of protection applies in respect of that aggregated amount. The deposits and the persons eligible for this deposit guarantee scheme are set out in Article L. 312-4-1 of the French monetary and Financial Code (for more details, please consult the website of the Fonds de Garantie des Dépôts et de Résolution (the FGDR)). If, for instance, a customer holds an eligible saving account with EUR 90,000 and a current account with EUR 20,000, the limit of protection will be EUR 100,000.

This method will also apply when your credit institution operates under several trading names. HSBC Continental Europe also trades under the names HSBC and HSBC Private Banking in France, and under the name HSBC Continental Europe (Spółka Akcyjna) Oddział w Polsce in Poland. This means that all deposits with one or more of these trading names are in total covered up to EUR 100,000.

Note 2: Main specific cases

Joint accounts are equally shared between joint account-holders, unless a contractual term provides otherwise. The amount due to each joint account-holder is added up to the latter's own accounts or deposits, and the deposit guarantee scheme of up to EUR 100,000 applies to that total.

However, accounts to which two or more persons are entitled as joint owners, members of a business partnership, association or grouping of a similar nature, without legal personality, are aggregated and treated as if made by a single depositor distinct from the joint owners or shareholders/partners for the purpose of calculating the limit of EUR 100 000.

Some deposits of an exceptional nature (temporary high balances arising out of a property transaction relating to the depositor's main residence; payment to the depositor of compensation for damages; payment to the depositor of retirement benefits or an inheritance) give rise to an increased level of coverage of more than EUR 100,000 for a limited time period following their payment into an account (for more details, please consult the website of the FGDR).

Note 3: Reimbursement

The FGDR will repay your eligible deposits within seven (7) business days from the date on which the Autorité de Contrôle Prudentiel et de Résolution formally records the unavailability of deposits held by the member credit institution by virtue of the first sub-paragraph of Article L. 312-5 of the French Monetary and Financial Code.

This timeframe relates to repayment which does not involve any special treatment or any additional information required to determine the repayment amount or the depositor's identity. If special treatment or additional information is required, repayment will take place as soon as possible.

Note 4: Other important information

The general rule is that all customers, whether retail depositors or businesses and whether their accounts were opened for private use or for use by a business, are covered by the FGDR. Exceptions for certain deposits and products are stated on the FGDR's website.

Your credit institution will inform you upon request whether its products are covered or not. If a deposit is covered, the credit institution shall also confirm this on the account statements sent to you periodically and at least once a year.