

Corporate Banking Deposit Accounts

Product Disclosure Statement

Contents

	Page No.
Important Information	2
HSBC Bank Australia	3
Our Accounts at a Glance	4
Business Cheque Account	5
International Cash Management Account	7
Term Deposit Account	10
Business Trust Account	13
Payment Methods – Key Features and Benefits	15
Significant Risks	16
Costs	16
No Cooling Off	17
Taxation	17
Terms and Conditions	19
Dispute Resolution	46
Corporate Banking Offices and Branches	48

Important Information

The Product Disclosure Statement (PDS) for the HSBC products referred to in this core document is issued by HSBC Bank Australia Limited. It is made up of this core document and:

- for a Business Cheque Account, Business Trust Account or International Cash Management Account, 2 separate documents, one about fees and charges and one about interest rates; and
- for a Term Deposit Account, 2 separate documents, one about fees and charges, and one indicating the range of interest rates that may apply to any Term Deposit Account you may choose to open.

This PDS is dated as of the latest date borne by any of the documents which comprise it. This core document is dated 1 July 2008.

This PDS sets out the terms and conditions which apply to a number of products issued by HSBC Bank Australia Limited (referred to as “**HSBC**”, “**we**”, “**our**” or “**us**”). This PDS should be read in full before you make a decision to acquire any of those products from HSBC. All information provided in this PDS is general and does not take into account your individual objectives, financial situation or specific needs. We recommend that after reading this PDS you establish whether, given your circumstances, an HSBC Account is suitable to you. If you do open an Account referred to in this PDS then we strongly recommend you retain this PDS for future reference.

Information in this PDS is subject to change from time to time and may be updated as described in this PDS (see the section headed "Changes to Terms and Conditions").

If you received this document electronically or if you received any updated information other than in writing, we will provide a paper copy free on request.

HSBC Bank Australia

About HSBC

Headquartered in London, the HSBC Group is one of the largest banking and financial services organisations in the world. The Group has some 10,000 offices and over 315,000 employees in 83 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa. The HSBC Group serves almost 125 million customers and has assets of over US\$2,150 billion (at 30 June 2007).

HSBC started operations in Australia in 1965 and was awarded a commercial banking licence in 1986. The Group's global brand, HSBC, was adopted by all Australian subsidiaries in 1999. HSBC is marketed worldwide as 'the world's local bank'.

In Australia, the HSBC Group offers an extensive range of financial services through a network of 35* branches and offices. Our services include personal banking and consumer finance as well as commercial, corporate and institutional banking, global payments and cash management, trade and export finance, debtor finance, treasury and financial markets, project finance, corporate finance and securities custody.

About HSBC's commercial, corporate and institutional banking
HSBC is well placed to meet the local and global needs of both domestic and international companies.

In Australia, commercial customers range from small medium enterprises to middle market and large corporates. Dedicated customer relationship teams in Sydney, Melbourne, Brisbane, Adelaide and Perth create innovative solutions for our commercial customers, integrating the full range of domestic and international banking services.

Our corporate and institutional clients are major organisations with complex and international financial needs. Our global relationship management teams have an in depth understanding of the sectors in which our clients operate. We specialise in working with other financial institutions as well as industrials, energy and utilities, transport and logistics, metals and mining, real estate and multinationals.

These teams work closely with sector and product specialists from across transactional banking as well as the corporate, investment banking and markets business to provide tailored client solutions, putting HSBC in its entirety to work for each of our clients. From the provision of credit to the delivery of top quality banking services, we coordinate our activities closely around our clients' global needs, taking advantage of HSBC's presence in 83 countries and territories.

* As at July 2007

HOW TO CONTACT HSBC BANK AUSTRALIA LIMITED

580 George Street, Sydney NSW 2000

Telephone: 1300 300 437

Fax: (02) 9006 5777

Web: www.hsbc.com.au

Our Accounts at a Glance

To help you decide which HSBC business Accounts you should have, look over our quick reference guide below. This is just a summary. See the more detailed Product Schedules which follow.

	Business Cheque Account ²	Business Trust Account ³	International Cash Management Account	Terms Deposit Account
Suitable for regular savings/investment	Yes	No	Yes	Yes
Available access	Branch, Fax, Letter, Cheque, HSBCnet, Internet Banking Service, Limited Phone Banking Service ⁴	Branch, Fax, Letter, Cheque, HSBCnet, Internet Banking Service, Limited Phone Banking Service ⁴	Branch, Fax, Letter, Cheque, HSBCnet, Internet Banking Service, Limited Phone Banking Service ⁴	Branch, Fax, Letter, Cheque, HSBCnet, Internet Banking Service, Limited Phone Banking Service ⁴
Pays regular interest	Yes	³	Yes	Yes
Minimum term of investment	None	None	None	1 Month
Minimum opening deposit	AUD 5,000	None	AUD 5,000 Varies for other currencies	AUD 5,000 Varies for other currencies
Withdrawal notice required	Not required	Not required	Not required	Not required ¹
Interest calculated	Daily	Daily ³	Daily	Daily
Interest Paid	Quarterly in arrears	Quarterly in arrears	Quarterly in arrears	<ul style="list-style-type: none"> • Monthly, quarterly or at maturity for terms of 12 months or less • Monthly, quarterly or annually for terms greater than 12 months
Available in foreign currency	No	No	Yes	Yes

¹ Withdrawal prior to maturity will result in a reduced rate of interest on the amount withdrawn.

² Only Australian dollars may be deposited to or withdrawn from the Business Cheque Account.

³ Interest on Regulated Trust Account will be paid and calculated in accordance with the relevant legislation.

⁴ Limited enquiry access via Phone Banking Service. Access is available on request to customers who have the Internet Banking Service.

Business Cheque Account

Product Schedule

Key features and benefits

An attractive interest bearing account to meet all your daily banking needs with the flexibility of easy access and control.

Minimum opening deposit – AUD5,000.

Maximum deposit – No maximum.

Interest rate – The interest rate is a variable rate and different rates apply to different Account balances. These rates and the level of Account balances to which they apply are set by HSBC and may change at any time. Rates current on the day you receive this PDS are set out in our separate document "Corporate Australian Dollar Deposit Interest Rates". Current rates are available by visiting www.hsbc.com.au at any time or by ringing your Relationship Manager or 1300 300 437.

When is interest credited – Quarterly in arrears and on closure of the Account.

Where is interest credited – To your Account or another account you hold with us.

How deposits and withdrawals can be made:

	Deposit	Withdrawal
In person at HSBC Branches	✓	✓
In person at branches of a Service Provider	✓	✗
By HSBCnet	✓ ¹	✓
Via the Internet Banking Service	✓ ¹	✓
Contacting your branch or by letter	✓	✓
Contacting by facsimile	✓	✗
By periodic payment from another Account with us	✓	✗
By periodic payment from an account with another bank	✓	✗
By standing instruction	✓	✓
By automatic direct deposit	✓	✗
By writing a cheque against the Account	✗	✓
By giving written instructions to us to make regular payments to third parties on your behalf (periodical payments)	✗	✓
By direct debit	✗	✓

Withdrawals of Available Funds can be made by you or any Authorised Signatory or by any person who holds an authorisation from you or an Authorised Signatory which is acceptable to us.

Notes:

¹ Transfers available after initial deposit

Minimum amount of withdrawal – No minimum amount applies.

Statements of Account – Statements of account will be issued either monthly or quarterly, as you choose.

International Cash Management Account Product Schedule

Key features and benefits

An ideal account to enable you to earn highly competitive interest rates for large surplus Australian Dollar and foreign currency deposits. Funds are available at call.

Minimum opening deposit – \$5,000 for Accounts in Australian Dollars or its equivalent in any of the following currencies:

- Hong Kong Dollars
- United States Dollars
- Great Britain Pound Sterling
- Euro
- Canadian Dollars
- Japanese Yen
- Singapore Dollars
- New Zealand Dollars

Currencies not listed above may be accepted by arrangement.

Maximum deposit – No maximum.

Interest rate – The interest rate is a variable rate and different rates apply to different Account balances. These rates and the level of Account balances to which they apply are set by HSBC and may change at any time. Rates current on the day you receive this PDS are set out in our separate documents “Corporate Australian Dollar Deposit Interest Rates” or “Corporate Foreign Currency Deposit Interest Rates”. Current rates are available by visiting www.hsbc.com.au at any time or by ringing your Relationship Manager or 1300 300 437.

When is interest credited – Quarterly in arrears and on closure of the Account.

Where is interest credited – To your Account.

How deposits and withdrawals can be made – Australian Dollar accounts:

	Deposit	Withdrawal
In person at HSBC Branches	✓	✓
In person at branches of a Service Provider	✓	✗
By HSBCnet	✓ ¹	✓
Via the Internet Banking Service	✓ ¹	✓
Contacting your branch or by letter	✓	✓
Contacting by facsimile	✓	✗
By periodic payment from another Account with us	✓	✗
By periodic payment from an account with another bank	✓	✗
By standing instruction	✓	✓
By automatic direct deposit	✓	✗
By giving written instructions to us to make regular payments to third parties on your behalf (periodical payments)	✗	✓
By direct debit	✗	✓

Withdrawals of Available Funds can be made by you or any Authorised Signatory or by any person who holds an authorisation from you or an Authorised Signatory which is acceptable to us.

How deposits and withdrawals can be made – Foreign Currency Accounts:

	Deposit	Withdrawal
In person at HSBC Branches	✓	✓ ²
Via HSBCnet	✓ ¹	✓
Via the Internet Banking Service	✓ ¹	✓
Contacting your branch or by letter	✗	✓ ²
Contacting by facsimile	✓	✗
By periodic payment from another Account with us	✓	✗

Notes:

¹ Transfers available after initial deposit

² Currency conversions between Accounts also available

You may make withdrawals on an International Cash Management Account which is in a currency other than Australian Dollars in the following manner:

In Australian Dollars	✓
In the form of telegraphic transfers	✓
In demand drafts	✓

If any deposit or withdrawal is made in a currency different from the currency of the Account a currency conversion will be made to convert the funds deposited to the currency of the Account at the prevailing exchange rate.

Minimum amount of withdrawal – No minimum amount applies.

Statements of Account

Statements of account will be issued either monthly or quarterly as you choose.

Term Deposit Account

Product Schedule

Key features and benefits

With a Term Deposit your money is locked in for a fixed term and therefore, you should only invest money that will not be required for that period of time. If you do break your term the interest rate you receive will only be half of the interest rate that is set on the date your application is received.

Other features are:

- A choice of terms from 1-11 months, 15 and 18 months and 1-5 years
- No regular bank fees
- Available in major foreign currencies

Minimum deposit – \$5,000 for Accounts in Australian Dollars or its equivalent in any of the following currencies:

- Hong Kong Dollars
- United States Dollars
- Great Britain Pound Sterling
- Euro
- Canadian Dollars
- Japanese Yen
- Singapore Dollars
- New Zealand Dollars

Currencies not listed above may be accepted by arrangement.

Maximum deposit – No maximum.

Interest rate – The interest rate applicable to your Account will be our prevailing interest rate at the time your Account is opened or renewed. The interest rate is a fixed rate that will not change during the agreed term of your deposit to your Account unless you withdraw the deposit before the end of that term. The rate is set on the date your application is received and is recorded in the Term Deposit Details for your Account, which will be provided to you after your Account has been opened. Your Account will start earning interest from the date we receive your deposit.

If you take any money out of your Account before the end of the term the interest rate you receive will only be half of the interest rate that is set out in your Term Deposit Details. The reduced interest rate will apply for the whole period from the day your Account is opened to the day you take money out of your Account. If you have already been paid interest at the full rate then the principal amount payable to you when we close the Account will be reduced to put you in the same position as if interest on the amount deposited had been reduced by 50% for the whole time the Account was open.

When is interest credited

You may choose the frequency with which interest may be credited. Interest may be credited in the following manner;

- (a) monthly or quarterly in arrears or at maturity for Term Deposits with a term of 12 months or less or
- (b) monthly, quarterly or annually in arrears or at maturity for Term Deposits with a term greater than 12 months.

The Term Deposit Details for a Term Deposit Account will show the frequency you have chosen for that Account.

Where is interest credited

You may choose to have interest credited to a nominated bank account or paid by bank cheque or some other form agreed by us. Interest not already paid can be reinvested at maturity for terms of 12 months or less.

Again, the Term Deposit Details will show what you have chosen.

Withdrawals before the end of the term

Withdrawals may be made before the end of a specified term but please note that the interest rate reduction described above will apply. If you want to take any money out you must take it all out and the Account will be closed. A withdrawal notice will not be effective unless you tell us what to do with all of the money in the Term Deposit Account. Withdrawals can only be made in person at HSBC branches by bank cheque/cash or by crediting an account with HSBC.

Minimum amount of withdrawal

Not Applicable.

How deposits can be made

No additional deposits can be made during the term of the Account. The initial deposit to open the Account can be made as follows:

In person at HSBC branches	✓
Contacting branch by telephone, facsimile or letter	✓
Via HSBCnet	✗
Via the Internet Banking Service	✓
By periodic payment from another bank account	✗
By automatic direct deposit	✗
By direct credit	✗

Statements of Account

You agree that statements of account need not be provided for Term Deposit Accounts. You will receive the Term Deposit Details for the Account when it is first opened.

What happens when a Term Deposit matures

On maturity of a Term Deposit Account we will act in accordance with the instructions for dealing with the principal on maturity recorded in the Term Deposit Details for the Account unless you ask us, in writing, at least 2 Banking Days before maturity for the deposit (that is, principal and any interest that has not already been paid) repay the deposit in cash or by bank cheque or some other form agreed by us, to credit the deposit to nominated bank account or to renew the deposit with or without additional funds.

If the Term Deposit Details does not specify what should happen on maturity, and you fail to exercise any of the above choices at least 2 Banking Days before the maturity date, we will renew the deposit (that is, principal and any interest that has not already been paid) for the same term at the interest rate applicable on the date of maturity for a deposit of the same term and amount and otherwise on the terms and conditions applying at that time to Term Deposit Accounts.

Business Trust Account

Product Schedule

Key features and benefits

An account which can satisfy your regulatory needs whilst providing the flexibility of easy access and control. The Business Trust Account is only available to certain businesses whose accounts may be regulated by government authorities in the relevant State in which they do business.

Minimum deposit – no minimum deposit required.

Maximum deposit – no maximum

Interest rate – The interest rate is a variable rate and different rates apply to different Account balances. These rates and the level of Account balances to which they apply are set by HSBC (and in the case of a **regulated trust account** as agreed or required by the relevant government authority in accordance with the relevant legislation) and may change at any time. Rates current on the day you receive this PDS are set out in our separate document “Corporate Australian Dollar Deposit Interest Rates”. Current rates are available by visiting www.hsbc.com.au at any time or by ringing your Relationship Manager or 1300 300 437 for Corporate Banking.

When is interest credited – Quarterly in arrears and on closure of the Account or in the case of a **regulated trust account** in accordance with the relevant legislation.

Where is interest credited – To your Account or another account you hold with us or in the case of a **regulated trust account** in accordance with the relevant legislation.

How deposits and withdrawals can be made:

	Deposit	Withdrawal
In person at HSBC Branches	✓	✓
In person at branches of a Service Provider	✓	✗
Via HSBCnet	✓ ¹	✓
Via the Internet Banking Service	✓ ¹	✓
Contacting your branch or by letter	✓	✓
Contacting by facsimile	✓	✗
By periodic payment from another account with us	✓	✗
By periodic payment from an account with another bank	✓	✗
By standing instruction	✓	✓
By automatic direct debit	✓	✗
By writing against the account	✗	✓
By giving written instructions to us to make regular payments to third parties on your behalf (periodical payments)	✗	✓
By direct debit	✗	✓

Withdrawals of Available Funds can be made by you or any Authorised Signatory or by any person who holds an authorisation from you or an Authorised Signatory which is acceptable to us.

Notes:

¹ Transfers available after initial deposit

Minimum amount of withdrawal – No minimum amount applies.

Statements of Account – Statements of account will be issued either monthly or quarterly, as you choose.

Payment Methods – Key Features and Benefits

A short description of each of the payment methods available with the Accounts described in this PDS follows. The description should be read in conjunction with the Product Schedule for the relevant Account which appears earlier in this PDS. Fees and charges are payable in connection with these payment methods as set out in our separate document “*Corporate Banking fees and charges guide*”. Some payment and access methods are not available for certain Accounts. Furthermore, if you choose to apply for use of the Internet Banking Service, each Authorised Signatory is able to access and transact on the Account without your knowledge or the knowledge of any other Authorised Signatory.

HSBCnet – an Internet based electronic banking channel for our corporate account customers that allows access to a range of financial services, that can be tailored to more complex business requirements, providing the highest level of security.

If you wish to access HSBCnet refer to our separate Corporate Electronic Banking Product Disclosure Statement.

Internet Banking Service – a non-HSBCnet service that HSBC makes available through the internet network to enable the electronic receipt and transmission of information and instructions. To access the Internet Banking Service, you (or someone on your behalf) must sign up online.

Caution: If you choose to apply for use of the Internet Banking Service, Authorised Signatories who are also ‘Users’ or ‘Business Administrators’ (as described in the Product Disclosure Statement for the business Internet Banking Service) and any other person who is a ‘User’ or ‘Business Administrator’ and who is authorised to access an Account may be able to access and transact on the Account without your knowledge or the knowledge of any other Authorised Signatory. Alternatively, you may request and we may agree that the instructions to access and transact on an Account must be provided by two Authorised Signatories (i.e. “Users” or “Business Administrators” jointly). For further information see the Product Disclosure Statement for the Business Internet Banking Service provided to you electronically when you sign-up to the Internet Banking Service.

Cheque – a convenient way to pay a bill, particularly if you obtain a cheque book rather than visit a branch to purchase a bank cheque. Cheques are debited to your Account.

Direct Debit – a withdrawal from your Account made by a third party under an authority you have given that third party to debit your Account.

Periodical payment – a withdrawal from your Account in favour of a third party in accordance with an instruction you have given us to make that withdrawal on specified dates. Periodical payments are also called “date triggered standing instructions”.

Standing instruction – an instruction you give us to:

- maintain any Business Cheque or International Cash Management Account within a chosen balance range (by transferring money into or out of the relevant Account); or
- transfer surplus funds from any Business Cheque or International Cash Management Account.

This type of standing instruction is also called a “balance triggered standing instruction” to differentiate it from a periodical payment. You may not have more than one standing instruction in effect in relation to an Account at any given time.

Significant risks

Deposits with HSBC

HSBC is an authorised deposit-taking institution in Australia. In order to qualify for this status, HSBC has to operate in accordance with the requirements of the Australian Prudential Regulation Authority (APRA), as well as the Reserve Bank of Australia.

HSBC is bound by provisions protecting depositors which can be found under Sections 12-16 of Division Two of Part II of the 1959 Banking Act. We are also required to hold assets in Australia that will meet all our deposit liabilities. Depositors are therefore assured of exactly the same protection with HSBC as they would receive with any other Australian bank.

Costs

HSBC regularly reviews the fees and charges that apply to its financial services to ensure that its products and services remain competitive. For that reason, the specific fees applicable to each of the products and services described in this PDS and the general fees and charges that apply to those products and services are set out in our separate document “*Corporate Banking fees and charges guide*”.

That document forms part of this PDS and therefore should be read in full before you make a decision to acquire any of those products from HSBC.

If you need another copy of “*Corporate Banking fees and charges guide*”, please ask a staff member of any HSBC branch for a copy or call our Customer Service Line on 1300 300 437.

Investing in currency and currency fluctuations

You acknowledge and agree that:

- (a) there are risks in investing in a currency which is not your base currency; that fluctuations in exchange rates may adversely impact on your funds when converting currencies; that past performance of a currency is not necessarily an indication of its future performance; and that you will use your own independent judgement in respect of currency conversions and will not rely on any advice, opinions or data supplied by HSBC; and
- (b) due to time delays in processing transactions and potential fluctuations in currency exchange rate, a rate of exchange advised to you on inquiry or on receipt of an instruction from you that involves a currency conversion may be different from the actual rate of exchange that may apply at the time of processing the transaction.

No Cooling Off

There is no cooling-off regime which applies to any of the HSBC products described in this PDS.

Taxation

Any income from your Account which is assessable income should be declared in your income tax return.

Interest credited to your HSBC Account

Interest credited to your Account during each financial year may be assessed for income tax purposes. In some circumstances (eg if you are tax exempt) this interest may not be included as part of your income tax assessment.

Withholding tax

If you are an Australian resident and do not provide HSBC with your Tax File Number (TFN) or Australian Business Number (ABN), HSBC must withhold tax calculated at the highest marginal tax rate plus the Medicare Levy (46.50% at the date of this PDS) from the interest and remit the withheld amount to the Australian Taxation Office.

If you are not an Australian resident, HSBC must withhold non-resident withholding tax (10.00% at the date of this PDS) from the interest and remit the withheld amount to the Australian Taxation Office.

Foreign Exchange Gains and Losses

Transactions (in particular withdrawals) in relation to foreign currency denominated accounts may give rise to taxable gains or deductible losses. The treatment of these transactions for taxation purposes will depend on your individual circumstances and you should seek appropriate tax advice.

Transactional taxes and duties

GST

Dollar amounts stated in any part of the Terms and Conditions include GST if it applies. You may have to pay GST on other amounts you are required to pay us under the Terms and Conditions (see the Account Terms under the heading “Payments”).

Terms and Conditions

Account Terms

Introduction

This section of this PDS sets out the rights, terms, conditions and obligations attaching to the following HSBC accounts:

- Business Cheque Account;
- International Cash Management Account;
- Term Deposit Account,
- Business Trust Account
- Fees and Charges Account

(each referred to throughout this PDS as an “**Account**”). When you open an Account with HSBC or choose a payment method in relation to an Account you are entering into a contract with HSBC in relation to your Account or that payment method, as the case may be. That contract is made up of:

- your Account Opening Documents;
- the Product Schedule in this PDS for that Account;
- the section of this PDS headed “Account Terms” and the section of this PDS headed “Dispute Resolution”;
- our separate document “**Corporate Banking fees and charges guide**”;
- our separate interest rate documents: if the Account is a Business Cheque Account, Business Trust Account, or International Cash Management Account in Australian dollars, Corporate Australian Dollar Deposit Interest Rates or if the Account is an International Cash Management

Account in a currency other than Australian Dollars, Corporate Foreign Currency Deposit Interest Rates; and

- if the Account is a Term Deposit Account, the Term Deposit Details for that Account.

Together these documents (referred to throughout this PDS as the **Terms and Conditions**) govern the relationship between you and HSBC in relation to all Accounts in your name and the way in which you access those Accounts. Any previous arrangement or agreement with respect to any Account is replaced by the Terms and Conditions.

Please read the Terms and Conditions carefully. If you do not understand any part of them, or if you have any questions, please speak with a staff member of any HSBC branch or call your Relationship Manager or our Customer Service Line on 1300 300 437.

Definitions for expressions used in this PDS

The following expressions have the following meaning where used anywhere in this PDS:

“Account Opening Document” means any account opening form (either in paper or electronic format), signature card, mandate or other document or agreement signed or entered into in connection with the opening or maintaining of an Account.

“Australian Dollars”, “AUD” or “\$” means the lawful currency of Australia.

“Authorised Signatory” means in relation to an Account any person who is designated as such in an account opening form or other Account Opening Document relating to that Account.

“Available Funds” means at any time in relation to an Account, the credit balance of the Account at that time, less the aggregate amount of all cheques deposited to the Account which at that time have not been cleared and any other amounts which are not cleared or are reserved by HSBC for any reason.

“Banking Day” means, for any purpose, any day other than a Saturday or Sunday on which one or more branches of HSBC are open in Australia and, if the Account is in a currency other than Australian Dollars, which is also a day other than a Saturday or Sunday on which banks are open for business in any place with which HSBC needs to communicate or effect or arrange any payment, currency conversion or other transaction for that purpose.

“Business Trust Account” means a Regulated Trust Account and/or an Unregulated Trust Account, as the context requires.

“Communication” means any form of communication, from you to us including Electronic Instructions.

“Electronic Communication” means a message HSBC transmits to you and which you receive from HSBC electronically, in a form that you can retain for later reference such as by printing or by storing for later display or listening.

“Electronic Equipment” includes, but is not limited to, a computer, telephone or television.

“Electronic Instructions” means any instructions in respect to your Accounts, which are provided to us by you and/or any Authorised Signatory via electronic methods including but not limited to telephone, email, telex, cable, facsimile or any other electronic means agreed by us from time to time.

“Excess Rate” means our applicable Base Lending Rate plus 5% per annum. Our Base Lending Rate is, in relation to a currency, the base lending rate for that currency as established and quoted by us from time to time.

“GST” means any goods and services, or similar tax and any related interest, penalties, fine or other charges.

“HSBC”, “we”, “our” or “us” means HSBC Bank Australia Limited ABN 48 006 434 162 of Level 32, 580 George Street Sydney NSW 2000.

“HSBC Group” means HSBC Holdings plc and any of its subsidiaries and affiliates.

“HSBCnet” means the internet based electronic banking system developed by HSBC Group and made available to you under terms and conditions and customer agreements specified by HSBC from time to time (including a HSBCnet Customer Agreement entered into or to be entered into between you or another corporate entity in your corporate group (where applicable) and a member of the HSBC Group).

“Interest and Fees Account” means, in respect of a Regulated Trust Account, the account opened in your name to which fees and charges relating to the Regulated Trust Account are charged

“Internet Banking Service” means the non-HSBCnet service that HSBC makes available through the internet network to enable the electronic receipt and transmission of information and instructions under terms and conditions specified by HSBC from time to time.

“Phone Banking Service” means the telephone service made available by HSBC’s Direct Service Centre 24 hours, 7 days a week every day of the year and is accessible by telephone under relevant phone banking terms and conditions specified by HSBC from time to time

“Regulated Trust Account” means an account regulated by the statutory requirements in the state your business is conducted.

“Service Provider” means a financial institution appointed by us to provide certain services from time to time.

“Term Deposit Account” means a deposit account in any currency where the funds in the account are deposited for the term nominated in the relevant Account Opening Document.

“Term Deposit Details” means in relation to a Term Deposit Account, the document called "Term Deposit Details" which sets out important information including the amount of the deposit, the term, the frequency with which interest will be credited and your instructions about what should happen on maturity.

“you” or “your” means the person(s) named as customer in the relevant Account Opening Document and where the context permits, it includes all of them. If there is more than one person named as customer or Account holder, references to you mean each person separately and every two or more persons jointly. "You" includes your successors and assigns.

“Unregulated Trust Account” means an account you hold in trust for your client in the course of your business but is not regulated by the statutory requirements in the state your business is conducted.

Account Opening

You must supply the documents, information and authorisations HSBC requires (including, without limitation, the Account Opening Documents) for the purposes of opening and maintaining the Account(s). We may conduct searches of public registers to obtain or verify information. If we do this we will charge you a fee.

We may reject an application for an Account.

An Account must have a minimum opening balance of the amount, if any, specified in the Product Schedule in this PDS for that Account (or, where the Account is in a currency other than AUD and only an AUD amount is specified, the equivalent in the foreign currency of that amount as determined by us).

Joint Accounts

Where an Account is in the name of more than one person the following applies:

- (a) the credit balance in the Account will be held jointly by all of you – this means that each of you separately, and all of you together, have the right to all of the Available Funds in the Account;
- (b) if the Account at any time has a debit balance then all of you together and each of you individually will be liable to repay the whole of the debit balance and any other amounts payable under the Terms and Conditions;

- (c) instructions in respect of the Account may be given only in accordance with the election made by you in the Account Opening Documents except that if we become aware of a dispute between you, we may decide not to operate the Account until all of you have signed an authority for us to act;
- (d) if one of you dies we may treat the Account as owned by the surviving Account holder(s); and
- (e) we can send notices, statements and other documents (including any notifying changes to the Terms and Conditions) by mailing them to any of you and they will be taken to have been given to all of you.

Partnership Accounts

If you are a partnership, each partner in the partnership acknowledges and agrees that:

- (a) the Terms and Conditions bind all the partners of the partnership jointly and each severally. References to “you” or “your” in the Terms and Conditions refer to each partner;
- (b) any notice by any one or more partner binds all partners;
- (c) the Terms and Conditions continue to bind the partners of the partnership despite partner, the dissolution, or any change at any time in the constitution of, the partnership;
- (d) all the provisions under “Joint Accounts” apply in respect of your Account.

Trust Accounts

You must tell us if you open an Account as trustee and give us the full name of the trust. You must also provide us with a copy of the document creating the trust if requested by us. If you are the trustee(s) of a trust then:

- (a) the Terms and Conditions will bind you both personally and as trustee(s) of the trust;
- (b) you promise you are the only trustee(s) of the trust, the trust is validly constituted and you as trustee(s) have power to enter into the Terms and Conditions; and
- (c) you promise to comply with your duties as trustee(s).

Authorised Signatories

You may give a person who is at least 18 years of age the authority to operate an Account on your behalf as an Authorised Signatory. To do this you will need to sign the documentation we require.

Access to an Account by an Authorised Signatory is subject to our requirements from time to time. All Authorised Signatories must be identified in accordance with the Financial Transaction Reports Act.

You should ensure that any Authorised Signatory has read and understood the Terms and Conditions. If they do not comply with any of the Terms and

Conditions the result will be the same as if you had not complied.

You must tell us in writing if you want to cancel the authority of an Authorised Signatory on any Account. You remain responsible for all transactions made by the Authorised Signatory until you have cancelled the authority in writing.

We may suspend the operation of an Account at any time if we are aware of a dispute or discrepancy regarding your Authorised Signatory.

Deposits

We may set restrictions of how deposits are able to be made to an Account. Any current restrictions that apply to an Account are set out in the Product Schedule for that Account in this PDS.

We may impose restrictions on the minimum and maximum amount that we accept as a deposit. Any current restrictions that apply to an Account are set out in the Product Schedule for that Account in this PDS.

You will need to arrange any automatic direct deposit with the person who will make the deposit.

If a cheque is deposited, or sums are otherwise transferred, to an Account the amount of the cheque or sums transferred will be credited to the Account on the Banking Day on which they are received. The amount of any

cheque deposited will not be available for withdrawal or transfer to another account until the cheque is cleared. Cheques are usually cleared in 3 Banking Days, but clearing may take longer in some instances. It will take a lot longer for a cheque in a foreign currency. If the cheque is returned to us uncleared, we will debit the Account with the amount of the uncleared cheque together with any related charges:

- (a) made by us, details of which are contained in our separate document ***“Corporate Banking fees and charges guide”***; and/or
- (b) made by another bank.

Withdrawals

We may set restrictions on how withdrawals are able to be made from an Account. The current restrictions that apply to an Account are set out in the Product Schedule for that Account in this PDS.

We may set restrictions on the amount that can be withdrawn from an Account at any one time. Any current restrictions that apply to an Account are set out in the Product Schedule for that Account in this PDS.

The credit balance in a Term Deposit Account is deposited for the term specified in the Term Deposit Details for the Account. If you withdraw any money before the end of the specified term then the whole amount originally deposited will earn a reduced rate of interest. (See

the Interest Rate section of the Term Deposit Account Product Schedule.)

Telegraphic Transfers

Where you request an outward telegraphic transfer to be effected from an Account, you acknowledge and agree that the following applies:

- (a) In the absence of any specified instructions to the contrary, HSBC may either effect a telegraphic transfer in the currency of the country in which payment is to be made or in our sole discretion, choose not to effect the telegraphic transfer until further instructions are obtained from you in which case, HSBC will not be responsible for any loss or delays which you may suffer.
- (b) Depending on your instructions, we may be required to use intermediaries in order to effect a telegraphic transfer on your behalf. These intermediaries may levy fees and charges in addition to those levied by us. A beneficiary’s bank may also levy separate fees and charges. Unless you provide instructions to the contrary, all such charges (including those incurred outside Australia) are for the account of the beneficiary.
- (c) We reserve the right to draw any telegraphic transfer on a different place from that specified by you if operational circumstances so requires.

-
- (d) Payment requests delivered to HSBC (in any form including electronically or otherwise), are subject to cut off times. These cut off times vary depending on the geographical location of the destination and are subject to change from time to time. A list of cut off times is available from us on request.
- (e) Any requests received by us within the cut off time for the relevant currency, will be processed on the requested value date. However while we will remit your funds on value date, we cannot confirm the actions of the receiving bank or guarantee that the funds will be received by the beneficiary on the same day. Funds sent by telegraphic transfers will usually be received by the beneficiary bank within 48 hours from the time the telegraphic transfer is processed. We will not be liable for any delays in processing by the beneficiary bank.
- (f) Any requests received by us after the cut off times for the relevant currency, will not be processed on the same day.
- (g) Where we are unable to provide a firm exchange rate quotation at the time of your request for a telegraphic transfer, we will provide you with a provisional exchange rate. However we will effect a telegraphic transfer on the basis of our actual selling rate for the relevant currency against the AUD (or another currency in which your account is denominated where applicable) at the time of processing the telegraphic transfer. The applicable amount will be debited from your Account at the time the telegraphic transfer is processed.
- (h) Telegraphic transfers are dispatched entirely at your own risk.
- (i) We are at liberty to send any telegraphic transfer either literally or in cipher and we accept no responsibility for any loss, delay, error, omission or mutilation, which may occur in the transmission of any message or for its misinterpretation when received.
- (j) You may only cancel or amend a telegraphic transfer if we agree in our absolute discretion.
- (k) In effecting a telegraphic transfer from an Account, we may be required by law or other rules, policies or guidelines by which we are bound, to disclose certain information which we hold about you to the beneficiary and/or the beneficiary's bank or intermediary service providers in the course of effecting the payment, and by requesting us to perform the telegraphic transfer, you consent to our disclosure of your information.

Where you receive an inward payment into your Account by way of telegraphic transfer and that payment is made in a foreign currency, we will convert that payment into AUD unless your Account is denominated in that currency. Fees and charges are payable in respect to your receipt of an inward or request for payment of an outward telegraphic transfer. These are set out in our separate document “*Corporate Banking fees and charges Guide*”.

Operation of Accounts Generally

Any debit from or credit to an Account shall be made by us in accordance with our usual practice and, in the case of credits made in anticipation of the receipt of funds, subject to receipt of such immediately available funds. In the event that such funds are not received or any payment is reversed, we may debit the Account with an amount representing funds which are not actually received for value at the anticipated time or the reversed payment.

A debit or credit to an Account is taken to be made, and has effect, on the date assigned to it (which may be different from the date we processed it and recorded it in the Account).

We may subsequently adjust debits and credits to the Account, and the Account balance, to accurately reflect the legal obligations of you and us (for example,

if we discover an error or a cheque is dishonoured). If we do this, we may make consequential changes (including to interest amounts).

Subject to any relevant legislation, we may:

- destroy any documents relating to an Account after copying them;
- block your Account thereby preventing you from using or operating your account;
- refuse to process a transaction or entry according to your instruction;

If we exercise such right and you suffer loss or damage and there is a breach of your contract with a third party, we will not be responsible.

Account with Cheque Access

The following terms and conditions apply to an Account if this PDS says that you can have cheque access (that is there is the ability to draw cheques on that Account):

- (a) if requested by you, we will provide cheques to you;
- (b) you shall keep cheque books under secure control at all times;
- (c) you may only write cheques in Australian currency. The amount should be stated clearly in words and figures in the spaces provided on the cheques. To prevent fraud, words and figures should be written close to the left hand margin so that

other words and figures cannot be inserted;

- (d) alterations to cheques should be countersigned with full signature. Unless a full signature is used we may return cheques that have been altered;
- (e) you acknowledge the need to exercise care when drawing cheques and you will not draw cheques by any means which may enable a cheque to be altered in a manner which is not readily detectable;
- (f) cheque books are issued on and subject to the conditions printed on the inside front cover of the cheque book and you will be bound by these conditions;
- (g) we reserve the right to impose a service charge in respect of returned cheques;
- (h) you may only countermand payment of a cheque by giving written instructions before the cheque had been paid to the branch at which the Account was opened clearly identifying the cheque in question;
- (i) you must tell us as soon as possible of any loss or theft of any cheques issued or provided to you. See contact details under “Corporate Banking Offices and Branches”; and
- (j) if you fail or delay in telling us of any loss or theft of any cheques issued or provided to you, then you may be liable for any financial loss arising from that loss or theft.

Overdrawn Accounts

Unless an Account has an approved overdraft arrangement you must maintain a positive balance in the Account. We are under no obligation to honour cheques, or to pay other transactions which would overdraw an Account or exceed any agreed credit limit. Should we exercise our discretion to honour a cheque or to pay a transaction where no such arrangement exists, or which causes an overdraft limit to be exceeded, the Account must be returned to a positive balance or a balance within the agreed overdraft limit immediately. If we do allow the Account to become overdrawn or to exceed any agreed overdraft limit, any resulting debit balance does not constitute the offering of, or increase to, an overdraft facility for that Account.

If a cheque written on an Account, or a periodic payment or other direct debit from an Account, causes the Account to go into debit the payment may be dishonoured. A fee may be charged for a dishonoured payment.

If an Account has no approved overdraft arrangement and it becomes overdrawn, debit interest will be charged to the Account. It will be charged on the daily closing debit balance using the Excess Rate. It will accrue daily and be debited to the Account on or about the 28th day of each calendar month.

If an Account has an approved overdraft arrangement and the overdraft limit is exceeded, debit interest on the excess will be charged in accordance with the terms and conditions relating to the overdraft or, if those terms are silent on debit interest on an excess over limit, then interest will be charged on the daily excess amount using the Excess Rate.

Interest

Interest is calculated on the daily closing credit balance in the Account. Interest accrues daily and is paid with the frequency, and to the place, set out in the Product Schedule for that Account in this PDS or, if the Account is a Term Deposit Account, in the Term Deposit Details for the Account. Interest is also paid on closure of the Account.

Interest is paid or credited in full if you are an Australian resident for tax purposes and you have provided your tax file number or your ABN (if you have one) or you satisfy us that you have an exemption from doing so. Otherwise, we are required by law to deduct from any interest payment withholding tax calculated at the highest marginal tax rate plus the Medicare Levy.

If you are not an Australian resident for tax purposes the withholding tax requirements will be different. We are

required by law to deduct non-resident withholding tax from any interest payment. Please contact your tax adviser for details.

We are required to report details of income earned, withholding tax deducted and tax file number quoted to the Australian Taxation Office. We are not liable if the Australian Taxation Office requires a deduction for an incorrect amount.

Interest Rates

The interest rate on an Account will be the rate we notify you from time to time as applicable to that Account.

Different interest rates may apply to different levels of Account balances. These rates, and the level of Account balances to which they apply, are set by us and, unless the Account is a Term Deposit Account, may change at any time. Details of the current interest rate(s) applicable to an Account are available:

- (a) in the separate interest rate document provided with and forming part of this PDS;
- (b) by ringing your Relationship Manager or
1300 300 437;
- (c) on our internet site
www.hsbc.com.au; and
- (d) from any of our
branches on request.

Fees and Charges

You authorise us to debit to each Account:

- (a) all fees and charges applicable to that Account as notified to you by us from time to time – (details of fees and charges applicable at the time you open an Account are set out in our separate document “*Corporate Banking fees and charges guide*”); and
- (b) an amount or amounts on account of any government charges and duties on receipts or withdrawals in relation to the Account or any of the Account documentation (this includes stamp duty and where it is applicable).

We will debit Accounts for most bank fees and amounts on account of government charges and duties on the first business day of each calendar month. Some fees and charges will be debited when the event for which they have been charged occurs (for example, a fee for dishonour of a cheque will be charged when the cheque is dishonoured). Fees and charges will also be debited on Account closure. If these amounts result in a debit balance they are payable on demand or when we debit the Account for them.

Information on current fees and charges is available from us on request.

We may elect not to charge a fee which we are otherwise entitled to charge. Any failure by us to charge a fee will not constitute a waiver of that fee or the right to charge that fee in the future.

Business Trust Accounts

The following provision apply if your Account is a Business Trust Account.

- (a) If you are opening a Regulated Trust Account we will also open an Interest and Fees Account at the same time.
- (b) You must maintain the Interest and Fees Account during the currency of the relevant Regulated Trust Account and we will close the Interest and Fees Account when the relevant Regulated Trust Account is closed.
- (c) You authorise us to debit your Interest and Fees Account in relation to fees and charges (if any) relating to the relevant Regulated Trust Account.
- (d) No interest is payable on your Interest and Fees Account.

Statements of Account

We will issue you with a statement of an Account at the frequency specified in the Product Schedule for that Account or as otherwise requested by you and agreed by us.

For the purposes of identifying errors and ensuring that the Account balance is correct, you must carefully examine all statements supplied by us and promptly advise us in writing of any error contained in a statement. If you do not notify us within 30 days of the date you receive a statement that you did not authorise a transaction appearing on the statement you agree that you do not have the right to make a claim against us regarding any lack of authority or forgery in relation to that transaction.

In the absence of manifest error, the records of HSBC shall be conclusive evidence of the matters to which they relate.

Stopping Payment

You or an Authorised Signatory may stop payment on a cheque written on an Account with cheque access by giving instructions in writing to your HSBC branch before the cheque has been paid. Those instructions must clearly identify the cheque and Account in question.

When you have authorised us to make regular automatic payments from an Account, and you want to stop these payments, you must provide written instructions at least 3 Banking Days before the next payment is scheduled to be made. Full details of the payment (amount, due date, payee and Account) will be required.

If you have authorised another party to debit an Account and you want to stop this arrangement, you must:

- (a) provide written instructions to us setting out full details of the periodical debit at least 3 Banking Days before the next debit is due; and
- (b) also promptly request the other party to stop debiting the Account.

If you ask us to cancel a direct debit authorising us or another party to deduct funds from your Account we will do so promptly. However, the cancellation of a direct debit may put you in breach of your contract with that other party. We will not be responsible for any such breach or for any loss or damage you may suffer in connection with any such breach.

We will promptly process any complaint by you that a direct debit was unauthorised or otherwise irregular.

There will be a fee for stopping a cheque, payment or direct debit (see *“Corporate Banking fees and charges guide”*)

Foreign Currencies

All interest accruing on an Account (whether credit or debit interest) will usually accrue and be paid or payable in the currency in which the account is denominated. We are only obliged to perform our other obligations in relation to an account in the currency in which those obligations are denominated.

However, we reserve the right to perform any obligation in any currency, at any rate and in any manner in each case as we determine, and such performance shall constitute a good and valid discharge of those obligations.

Fees and charges and any other amount payable by you under the Terms and Conditions which are payable or expressed in Australian Dollars may, in relation to an Account in a currency other than Australian Dollars, be converted to the currency of the Account by us before being debited to the Account.

If for any reason, including bankruptcy, any amount is received by us in a currency other than that in which it is payable, you must immediately indemnify us for any exchange loss.

We may make any currency conversion at our spot rate of exchange for the relevant currencies.

You acknowledge that we have no liability or responsibility whatsoever,

and have given no advice, in respect of movements in interest rates or exchange rates. You will make your own judgements and decisions whether to open an Account in a currency other than Australian Dollars. We do not monitor movements in exchange rates for you – this is your responsibility.

Foreign Currency Conversions

Time of processing and cut-off time - An instruction provided to us (including instructions provided through our Internet Banking Service and HSBCnet) to purchase or sell foreign currency that is provided to us on a Banking Day will be processed by us on the same Banking Day if we receive the instruction prior to the instruction cut-off time for the transfer of the relevant currency. The currency exchange rate that we apply is the rate that applies at the time we process the instruction. Please note that the instruction cut-off times differ depending on the currency being transferred. Information on instruction cut-off times can be obtained by calling us.

Instruction received prior to the cut-off time - If we receive the instruction (including instructions received through our Internet Banking Service and HSBCnet) prior to the relevant instruction cut-off time, we will process the transaction on the same day. However there will be a period of time between our

receipt of your instructions and the time when the instruction is actually processed. During this time the currency exchange rate may change and there may be a risk that the exchange rate that applies to the transfer may be less beneficial to you than the exchange rate advised to you at the time we receive your instruction.

Instructions received after the cut-off time - If we receive the instruction (including instructions received through our Internet Banking Service and HSBCnet) after the relevant instruction cut-off time, we will not process the instruction until the next Banking Day. You acknowledge that the currency exchange rate that we apply is the rate that applies at the time we process the instruction. Therefore, if we are provided with instructions after the relevant instruction cut-off time, we will process the instructions on the next Banking Day at the currency exchange rate that applies at the time we process the instruction on that day. Please note that due to fluctuations in exchange rates, if we are provided with instructions after the relevant instruction cut-off time on a Banking Day there will always be a risk that the exchange rate that applies to the transfer may be less beneficial to you than had we been provided with instructions prior to the relevant instruction cut-off time.

Provisional Rates - Unless we advise you otherwise, any exchange rate advised to you when we receive an instruction is provided as an indicative rate only. The actual rate we apply will be the rate that applies at the time of actual processing.

Set off

We may, at any time and without limiting any rights we may have at law and without notice to you:

- (a) Combine or consolidate any or all of your accounts with us (including the Accounts); and/or
- (b) Apply any credit balances in any accounts with us (including the Accounts) against or in satisfaction of all or any of your liabilities to us or any other member of the HSBC Group.

If we do, the amount in an Account may reduce.

We may do so in respect of any obligation (whether or not matured and whether actual or contingent) owed by you to us, regardless of the place of payment, booking branch or currency of either obligation and regardless of whether our obligation has matured (for example if our obligation is to repay a term deposit).

Our rights with respect to any Account shall not be affected by your death or legal incapacity.

If any obligations are in different currencies, we may convert either

obligation at its spot rate of exchange. If any obligation is unliquidated or unascertained, we may set off an amount estimated by us in good faith to be the amount of that obligation.

Closing an Account

We reserve the right to close an Account for any reason. We will notify you in writing if we do so.

You may close any Account at any time by written notice to us; however, we reserve the right not to close any Account if there are any liabilities (actual or contingent) owing to us.

The credit balance of an Account plus deposit interest if any, less any accrued debit interest, less any accrued account fees, including monthly fees where applicable, and government charges applicable up to the closing date will be paid to you when the Account is closed. Monthly fees will apply even though the Account has been open for only part of the calendar month.

Any part of an Account balance which is not Available Funds at the time of a request to close an Account will not be available until the funds are cleared. If the Account has a debit balance, the balance plus any accrued debit interest, account fees including monthly fees and government charges applicable up to the closing date will be payable by you to us. When you close an Account on which

you have been issued with cheques you must return to us any unused cheque forms. The Account may only be closed after any outstanding cheques have been presented. We reserve the right to return any cheques presented for payment after the Account has been closed and to refuse to close the Account if any cheques issued or provided to you have not been returned to us.

Upon the closure of any Account by us, all liabilities (actual or contingent) owing to us in relation to the Account shall become immediately due and payable. The Terms and Conditions shall continue in full force and effect until all those liabilities have been fully discharged.

Blocking an Account

We reserve the right to block access to and/or restrict the operation of an Account for any reason. We will notify you in writing if we do so.

We may be precluded by law from giving you a reason as to why we have taken this action.

If we do block access to and/or restrict the operation of an Account you must make alternate arrangements for any direct debits paid from that Account.

Inactive Accounts

An Account becomes inactive if no deposits or withdrawals are made during a continuous 12 month period. Under

these conditions we reserve the right to close the Account without any prior notice to you.

Balances on Accounts which have not been used by making a deposit or withdrawal (excluding any bank charges or interest paid) for seven years are treated by the law as unclaimed moneys. In such situations Accounts are closed and credit balances are dealt with in accordance with the relevant legislation.

Payments

In addition to your obligations if your Account becomes overdrawn, you agree that if you fail to pay any amount payable by you under the Terms and Conditions, you will, to the extent permitted by applicable law, pay to us interest on the unpaid amount at the Excess Rate.

All payments by you under the Terms and Conditions shall be made free of withholding or deduction on account of tax or other charges. However, to the extent that any payment is subject to withholding or deduction on account of tax or other charges, then you shall be liable to pay an additional amount such that the net payment to us after the withholding or deduction equals the amount otherwise payable by you.

The following applies in relation to GST:

- (a) dollar amounts stated to be payable by you in any part of the Terms and Conditions are the full amounts payable by you and include GST where it applies. If we notify you of a new or changed fee or charge the amount we notify you will include any applicable GST; and
- (b) in relation to other amounts you may be required to pay us under or in relation to the Terms and Conditions (for example, enforcement expenses) if all or any part of a payment you are required to make does incur GST, then you must pay us an amount which includes the GST on that payment. Where you have to reimburse or indemnify us for an amount, that amount will be inclusive of any GST or other tax payable by us.

Code of Banking Practice and Financial Services Guide

HSBC has adopted the Code of Banking Practice (“COBP”). The relevant provisions of the COBP will apply to your Accounts unless you are not an individual or a small business customer, as defined in the COBP.

General descriptive information about our banking services and the use of cheques is set out in our Corporate and Business Banking Financial Services Guide and Code of Banking Practice

Guide (“FSG”). The FSG includes the following information:

- HSBC’s account opening procedures;
- HSBC’s obligations regarding the confidentiality of your information;
- complaint handling procedures;
- general descriptive information regarding cheques including bank cheques;
- a recommendation that you inform HSBC promptly if you are in financial difficulty; and
- a recommendation that you read the applicable terms and conditions (which in relation to your Account means you should carefully read this PDS and the other Terms and Conditions before you sign the Account Opening Documents).

A copy of the FSG is available on request.

Our Rights

We are authorised to select and use agents and third parties in the performance of any transaction in connection with the Terms and Conditions including, without limitation, the enforcement of the Terms and Conditions against you.

We are authorised to use any payment system or intermediary bank we reasonably select. Notwithstanding any communication to the contrary from you, we shall act in accordance with the rules and regulations of any payment system

or intermediary bank that we select.

Our duty to perform any obligation shall be suspended to the extent that, and for so long as, we cannot act on or execute, or are restricted in acting upon or executing, any instruction from you or performing any other obligation due to any events or circumstances outside our control.

To the extent that, and for so long as, such measures or events persist we are not obliged to perform that obligation at some other place, in some other currency or by providing cash.

Our right of to set off obligations in different currencies is not affected.

Your Responsibilities

You promise that all particulars given to us (whether in an Account Opening Document or otherwise) are accurate and complete and not, by omission or otherwise, misleading.

You owe us a duty of care and will not do anything which may facilitate, or omit to do anything which may prevent, any fraud, forgery or other illegal act.

In order to ensure our records are accurate you will promptly notify us in writing of any change in:

- (a) your name or address;
- (b) the authority of any Authorised Signatory; or
- (c) the contents of any Account Opening Documents or any other documents,

information or authorisations supplied pursuant to the Account Opening Documents.

If no such notice is given (regardless of whether such change is registered in a public registry), we are entitled to rely on information, authorisations and documents previously supplied by you. We will not be responsible for any errors or losses associated with Account changes where we have received no or inadequate prior notice.

Use of Customer Information

HSBC collects your information in order to comply with laws, regulations and policies applicable to HSBC and to consider whether to provide you with any product or service (“Services”). Your failure to supply your information to HSBC may result in HSBC being unable to provide any Services to you. Once collected:

- (a) HSBC may use your information for any and all purposes in connection with:
 - (i) the provision, and daily operation, of the Service;
 - (ii) processing of data;
 - (iii) internal operational requirements of HSBC or the HSBC Group (such as risk management, staff training, system or product development, survey and research);
 - (iv) compliance by HSBC, or a member of the HSBC Group, with

anti-money laundering and terrorist financing laws in Australia or other country;

- (v) prevention and/or investigation of actual or suspected crime or fraud;
 - (vi) compliance with disclosure requirements under any law binding on HSBC or any member of the HSBC Group;
 - (vii) matching, for whatever purpose your information with other data in possession of HSBC or the HSBC Group;
 - (viii) collection of amounts outstanding from any party;
 - (ix) requirements under any laws, regulations, codes and external systems relevant to the Service; and
 - (x) marketing, promoting, improving and developing any Service by HSBC and any other member of the HSBC Group to you generally;
- (b) HSBC may disclose your information to parties (within or outside Australia) including but not limited to the following:
 - (A) other members of the HSBC Group;
 - (B) external service provider to HSBC or the HSBC Group;

-
- (C) such parties as may be necessary for the provision of the Service to you;
- (D) any person acting on your behalf;
- (E) beneficiaries of payments;
- (F) any transaction party;
- (G) alliance partners of HSBC or any member of the HSBC Group;
- (H) other financial institutions;
- (I) any party involved in the acquiring of interest or assuming risk in the Service provided to you; and
- (J) regulatory bodies, government agencies, law enforcement bodies and courts;
- (c) you may request that your information not be used for direct marketing purposes;
- (d) you have a right to request access to your information. A fee may apply. HSBC will comply with such request unless it may or is required to refuse to do so under any applicable laws or regulations; and
- (e) if at any time your details have changed or you would require access to your information, you may contact the Privacy Officer, HSBC Bank Australia Limited, GPO Box 5302, Sydney 2001.
- If you give HSBC personal information about another person or you direct another person to give their personal information to HSBC, you must tell that persons that:
- (a) HSBC is holding personal information about them;
- (b) personal information collected about them will be used for the purposes of HSBC and/or any member of the HSBC Group dealing with you and/or providing services to you;
- (c) HSBC may also give their information to any HSBC Group member or other third parties for such purposes;
- (d) if that person fails to provide their personal information to HSBC and does not agree to the use or disclosure of their information as set out above, HSBC may not be able to provide a Service to you;
- (e) collection of some of the information about them may be a requirement under laws or regulations applicable to HSBC or any member of the HSBC Group; and
- (f) they can access their information by contacting the Privacy Officer, HSBC Bank Australia Limited, GPO Box 5302, Sydney 2001. A fee may apply. HSBC will comply with such requests unless we may or we are required to refuse to do so under any applicable laws or regulations.

Anti Money Laundering and Terrorist Financing

(a) You acknowledge and agree that:

(i) HSBC and other members of the HSBC Group, are required to act in accordance with laws, regulations and requests of public and regulatory authorities operating in various jurisdictions which relate to, amongst other things:

(A) the prevention of money laundering, terrorist financing, tax evasion and the provision of financial and other services to persons or entities which may be subject to sanctions; or

(B) the investigation or prosecution of, or the enforcement against, any person for an offence against any laws or regulations, (the “Relevant Laws”);

(ii) HSBC may take, and may instruct (or be instructed by) any other member of the HSBC Group to take, any action which it or such other member, in its sole and absolute discretion, considers appropriate to take, to comply with the Relevant Laws, and group policies relating to the Relevant Laws;

(iii) such action may include but is not limited to:

(A) interception and/or investigation of any payment messages and other information or communications sent to or by you or on your behalf via the network and systems of HSBC or any other member of the HSBC Group;

(B) investigation of any application for product or service, or drawdown or utilisation of a financing facility, by you;

(C) making further enquiries as to whether a name which might refer to a sanctioned person or entity actually refers to that person or entity;

(D) delaying, blocking or refusing:

a. any payment;

b. provision of any product or service; or

c. drawdown or utilisation of any financing facility; and

(E) giving any information about any transaction or activity to any person authorised under a Relevant Law or group policy

-
- relating to the Relevant Laws to receive that information; and
- (iv) third parties (including the government of the United States of America and other governmental authorities) may also take action under the Relevant Laws. This may result in delays, blocking, seizure or confiscation of payments.
- (b) Neither HSBC nor any member of the HSBC Group will be liable for loss (whether direct or consequential and including without limitation loss of profit or interest) or damage suffered by any party, arising out of:
- (i) any delay or failure by HSBC, or any member of the HSBC Group, in:
- (A) processing any payment messages, information or communications;
- (B) performing any of its duties or other obligations in connection with any Nominated Account;
- (C) providing any product or service to any person; or
- (D) effecting a drawdown or utilisation if any financing facility, caused in whole or in part by any steps taken by HSBC or such other member of the HSBC Group, in its sole and absolute discretion, considers appropriate to take in accordance with the Relevant Laws and group policies in relation to the Relevant Laws; or
- (ii) the exercise of any of HSBC's right under this clause; or
- (iii) any action taken by third parties in connection with the Relevant Laws.
- (c) You further acknowledge and agree that:
- (i) in certain circumstances, the action taken by HSBC, a member of the HSBC Group or a third party may prevent or cause a delay in processing of certain information; and
- (ii) neither HSBC nor any member of the HSBC Group warrants that any information on the systems of HSBC or any member of the HSBC Group relating to any payment message or other information or communications 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.

Costs and Expenses

You shall pay to us all reasonable costs and expenses (including legal fees on a full indemnity basis) incurred by us in connection with:

- (a) the exercise and preservation of our rights under the Terms and Conditions;
- (b) the appointing of agents or third parties for the purposes of providing certain services to you; and
- (c) any legal proceedings or disputes between you and a third party where we become involved in such proceedings or disputes.

These costs and expenses are payable on demand or when we debit the Account for them.

Changes to Terms and Conditions

We have the right to change any part of the Terms and Conditions. For example, we may:

- (a) change any applicable interest rate (except the rate applying to a Term Deposit Account during its term) and the tier to which an interest rate applies;
- (b) change the minimum opening deposit and minimum account balance;
- (c) change the fees and charges; and
- (d) introduce new fees and charges.

All these changes can be made without your consent. We will give you notice in writing at least 30 days before the change comes into effect if we:

- introduce a fee or charge (other than a government charge);
- change the method by which interest is calculated or the frequency with which it is credited or debited;
- change the minimum balance to which an account keeping fee applies; or
- change the balance ranges within which interest rates apply to an Account.

In any other case we will give you notice of the change in writing or by advertisement in the national or local media no later than the day the change takes effect.

We may notify you of the introduction or change of a government charge payable directly or indirectly by you by advertisement in the national or local media or in writing. We won't need to do so if the government advertises the change.

If you agree to us doing so, we may notify you of changes to the Terms and Conditions by:

- (a) Electronic Communication to your Electronic Equipment;
- (b) Electronic Communication to an electronic address nominated by you; or

(c) displaying information about the changes at our website www.hsbc.com.au (after notifying you by Electronic Communication that the information is available on our website and the nature of the information).

You may at any time vary the device, Electronic Equipment or electronic address you have nominated, or terminate your agreement with us that we can notify changes to you by one or both of the methods of Electronic Communication above.

Communications

In order that transactions may be quickly and efficiently processed, we are entitled to rely upon and act in accordance with any Communication received from or purportedly sent by you or an Authorised Signatory. In order to allow flexibility, Communications can be given in any form agreed between HSBC and you pursuant to the Account Opening Documents, provided that, in our conclusive view, any such Communication is clear and unambiguous as to its terms. We reserve the right not to act on any Communication which is not in an agreed form. We may in our sole discretion and despite any other provisions of the Terms and Conditions, before or after we act on any Communication, require written confirmation of any such Communication from you.

We may refuse to act on any Communication if we doubt the legality or authenticity of any Communication received by us. If we so refuse to act on any Communication, we shall inform you that such Communication has not been acted upon. We are not bound to make any enquiry as to the accuracy of the information contained in any Communication and are entitled to assume that any Communication given by an Authorised Signatory has been authorised by you.

To help improve the services provided by us, and in the interests of security, we may monitor and/or record any telephone calls between us and you or any Authorised Signatory. Any recording may be used as evidence.

You acknowledge the risks associated with the different forms of Communications offered to you by us and agree to accept those risks for the purposes of making such Communications.

In addition to the above, by sending us any Electronic Instructions, you acknowledge and agree that:

- (a) you are requesting and authorising HSBC to accept and act on those Electronic Instructions, which HSBC in its sole discretion and in good faith believes to have been provided by you or an Authorised Signatory, without requiring written confirmation bearing

actual signatures in accordance with the mandate for the Account before acting on those Electronic Instructions;

- (b) there are risks inherent in the giving of Electronic Instructions.

Fraudulent or other unauthorised instructions may be transmitted by electronic communication. Facsimile instructions may be transmitted to wrong numbers, may never reach HSBC and may become known to third parties. You should not give us Electronic Instructions unless you understand and are prepared to undertake such risks;

- (c) good and proper receipt by HSBC of the Electronic Instructions will be conclusive evidence of such receipt;
- (d) HSBC will not be under any duty to verify the identity of the person or persons giving Electronic Instructions purportedly in your name (whether they are from you or any Authorised Signatory) and any transaction made pursuant to those Electronic Instructions will be binding on you whether made with or without your authority, knowledge or consent; and
- (e) you undertake to indemnify and to keep indemnified at all times, HSBC, against all actions, proceedings, claims, losses, damages, costs and expenses which may be brought against, incurred or

suffered by HSBC as a result of or which arises in connection with (whether directly or indirectly), HSBC accepting and acting in good faith on any Electronic Instructions purporting to originate from you, an Authorised Signatory or any other person purporting to be authorised by you or acting on your behalf.

Liabilities and Indemnities

To the maximum extent permitted by law you agree that HSBC shall not be liable to you, any Authorised Signatory or any other person:

- (a) for any loss (including loss of profit), damage or delay other than such losses which arise as a direct result of the gross negligence or wilful misconduct of HSBC; or
- (b) any loss (including loss of profit), damage, delay or failure to perform caused in whole or in part by the action of any government or governmental agency, act of God, law or regulation (or any change in the interpretation thereof), injunction, currency restriction, sanction, exchange control, industrial action (whether involving our staff or not), war, equipment failure, or interruption to power supplies or anything else beyond our reasonable control. We will attempt to notify you of the existence of such circumstances.

Where we use an agent or any third party in performance of any service in connection with the Terms and Conditions, we shall use reasonable care in any such selection; however we shall not be liable for any loss (including loss of profit), damage, delay or failure to perform occasioned by the acts or omissions of any such third party or agents.

You shall indemnify us against all losses and liabilities which we may incur as a result of:

- (a) any breach by you of any of the Terms and Conditions;
- (b) loss, theft, fraud or misuse of any cheques provided to you;
- (c) any Communications acted upon (whether or not such Communications were authorised by you or in an agreed form);
- (d) any error or inaccuracy in any statement issued to you which has not been notified to us; and
- (e) any enquiry by any governmental agency or authority involving you or any of your related bodies corporate (if any, as defined in the Corporations Act).

Commissions

If you are introduced to us by, or apply to us through, a third party (such as a financial planner, financial adviser, broker or accountant) then you acknowledge that we may pay that third party a commission.

Miscellaneous

To the maximum extent allowed by law, you give up any right to set off any amounts we owe you (for example, credit balances in your Accounts) against amounts you owe us.

If any provision of the Terms and Conditions is, or becomes, illegal, invalid or unenforceable in any jurisdiction, this will not affect:

- (a) the validity or enforceability in that jurisdiction of any other provision of the Terms and Conditions; or
- (b) the validity or enforceability in other jurisdictions of that or any other provision of the Terms and Conditions.

Our rights under the Terms and Conditions:

- (a) may be exercised as often as necessary;

-
- (b) are cumulative and not exclusive of its rights under any applicable law; and
 - (c) may be waived only in writing and specifically.

Any delay in the exercise or non-exercise of any such right is not a waiver of that right.

No mortgage, charge or other security interest may be granted over or in respect of any Account other than in our favour. Your rights in connection with any Account may not be transferred or assigned.

Proof of posting or transmission of any notice or statement to you shall be deemed to be proof of receipt of the notice or statement by you at the time when the notice or statement would in the ordinary course be delivered or transmitted notwithstanding the fact that you may not actually receive it.

Law and Jurisdiction

The Terms and Conditions shall be governed in accordance with the laws of New South Wales.

If you are not a resident of Australia:

- (a) you submit to the non-exclusive jurisdiction of the courts exercising jurisdiction in the state of New South Wales and any other court of any other jurisdiction notified to you by us for this purpose;
- (b) you agree, on request by us, to appoint an agent for service of process in Australia; and
- (c) you consent to the service of process out of any courts in Australia by mailing of copies of process by certified or registered airmail postage prepaid to you at your address given in the Account Opening Documents or to any appointed process agent. In either case service will be taken to have been effected on receipt. Nothing in the Terms and Conditions affects the right to serve process in any other manner permitted by law.

Dispute Resolution

The following complaint handling procedures apply to each of the Accounts described in this PDS.

Introduction

At HSBC we are committed to the delivery of excellence through the highest customer service standards. Whether you are providing feedback, paying a compliment or making a complaint, your input is important.

We aim to resolve most issues within five working days. If more complex, it can take longer but we'll keep you informed of progress.

Making a Complaint

If you believe there is an error in an Account statement, or if you have any concerns about a procedure, compliance issue, or have encountered a problem with our service, we want you to tell us about it. Either contact your Relationship Manager or call us on 1300 300 437 or make your concern known at your branch where the Branch Customer Service Manager should be able to resolve the problem; if not, the Branch Manager can undertake further investigation and action.

Customer Relations

If your complaint hasn't been resolved to your satisfaction, contact our Customer Relations Complaints team:

Toll Free: 1300 308 188

Facsimile: (02) 9255 2647

Mail: Customer Relations Department
HSBC Bank Australia Limited
Level 11,
580 George Street
Sydney NSW 2000

Or you can log onto our website, www.hsbc.com.au and record your complaints or feedback via the "Contact Us" icon.

HSBC's Investigations

Our front line staff, managers or Customer Relationship team should be able to resolve any issues you raise. If HSBC is unable to resolve your complaint immediately to your satisfaction, HSBC will advise you of the procedures for the further investigation and handling of your complaint and may ask you to provide further details. For example, if there is a dispute over who is liable for a loss resulting from an unauthorised transaction, you will be asked to complete and sign a form providing further information.

HSBC will investigate your complaint and within 21 days of receiving your complaint write to you, explaining the outcome of its

investigation or that more time is needed to complete the investigation.

Unless there are exceptional circumstances, HSBC will complete its investigation within 45 days of receiving your complaint. If HSBC is unable to resolve your complaint within 45 days, HSBC will write to you and inform you of the reasons for the delay and provide you with monthly updates on the progress of its investigation and an indication of when your complaint is likely to be resolved, except where HSBC is awaiting a response from you and you have been advised that it requires such a response.

Results of HSBC's Investigations

When HSBC completes its investigations of your complaint, it will notify you in writing of:

- the result;
- the reasons for its decision with reference to the relevant provisions of the Terms and Conditions and, if applicable, the EFT Code; and
- any further action you can take in respect of your complaint.

If your Account is found to have been incorrectly credited or debited, HSBC will adjust your Account accordingly (including any interest and charges) and notify you in writing of the amount of the adjustment.

If HSBC finds that you are liable for all or part of the disputed transaction, it will

supply you with copies of any document or other evidence on which it based its findings, and advise you in writing, if there was any system or equipment malfunction at the time of the transaction.

If you are not satisfied with the decision, you may wish to take the matter further. You may, for instance, contact the Banking and Financial Services Ombudsman.

Banking and Financial Services Ombudsman

The Banking and Financial Services Ombudsman (**BFSO**) scheme is an impartial, independent and free service for personal and small business customers.

The BFSO cannot investigate:

- A claim for more than \$280,000.
- A claim in relation to a commercial decision by HSBC, such as whether a loan is approved.
- A claim in relation to HSBC's general policy or practice, such as interest rates or fees.

For more information refer to the BFSO website www.bfso.org.au

You can contact the BFSO by writing to:

Banking and Financial Services
Ombudsman
GPO Box 3 Melbourne, VIC 3001
Phone: 1300 780 808
Facsimile: (03) 9613 7345
Email: enquiries@bfso.org.au

HSBC BANK AUSTRALIA LIMITED
CORPORATE BANKING OFFICES AND BRANCHES *(as at April 2008)*

Sydney

Level 31
580 George Street
Sydney NSW 2000

Melbourne

Level 10
333 Collins Street
Melbourne VIC 3000

Adelaide

Ground Floor
55 Grenfell Street
Adelaide SA 5000

Brisbane

300 Queen Street
Brisbane QLD 4000

Perth

188-190 St George's Terrace
Perth WA 6000

HSBC BANK AUSTRALIA LIMITED BRANCHES *(as at April 2008)*

NSW

Bondi Junction Branch
183 - 193 Oxford Street
Bondi Junction 2022

Burwood Branch
202 Burwood Road
Burwood 2134

Castle Hill Branch
Shop 500
Castle Towers
Shopping Centre
Castle Hill 2154

Chatswood Branch
298 Victoria Avenue
Chatswood 2067

Haymarket Branch
724-728 George Street
Sydney 2000

Hornsby Branch
HSBC Lending Centre
25-29 Hunter Street
Hornsby 2077

Hurstville Branch
208 Forest Road
Hurstville 2220

King Street Branch
92 King Street
Sydney 2000

Macquarie Branch
Macquarie Shopping
Centre
Level 1, Shop 17
North Ryde 2113

Maroubra Branch
201 Maroubra Road
Maroubra Junction 2035

Parramatta Branch
179 Church Street
Parramatta 2150

Sydney Branch
Exchange Centre
28 Bridge Street
Sydney 2000

Town Hall Branch
570 George Street
Sydney 2000

QUEENSLAND

Brisbane Branch
300 Queen Street
Brisbane 4000

Gold Coast Branch
83b Scarborough Street
Southport 4215

Sunnybank Branch
Sunnybank Plaza
Cnr Mains Road &
McCullough Street
Sunnybank 4109

SOUTH AUSTRALIA

Adelaide Branch
55 Grenfell Street
Adelaide 5000

WESTERN AUSTRALIA

Booragoon Branch
Garden City
125 Riseley Street
Booragoon 6154

Perth Branch
188-190 St. George's Tce
Perth 6000

VICTORIA

Box Hill Branch
23 Carrington Road
Box Hill 3128

Camberwell Branch
10 Prospect Hill Road
Camberwell 3124

Glen Waverley Branch
38 Kingsway
Glen Waverley 3150

Melbourne Branch
271 Collins Street
Melbourne 3000

Swanston Branch
188 Swanston Street
Melbourne 3000

INTERNET DETAILS

www.hsbc.com.au

