

Supplementary Product Disclosure Statements

Business Transaction Account
Business Multi Currency Account
Business Term Deposit Account

Notice of Change

Business Terms and Conditions

Effective 28 November 2011

About these Supplementary Product Disclosure Statements

The Supplementary Product Disclosure Statements contained in this document update and add to the information contained in the following Product Disclosure Statements:

- ▶ Business Transaction Account Product Disclosure Statement, which is issued by HSBC Bank Australia Limited ABN 48 006 434 162 AFSL/Australian Credit Licence 232595 (HSBC Australia). It supplements and is to be read together with the Business Transaction Account Product Disclosure Statement.
- ▶ Business Multi Currency Account Product Disclosure Statement (as amended by the supplementary product disclosure statement dated 28 January 2011), which is issued by HSBC Australia. It supplements and is to be read together with the Business Multi Currency Account Product Disclosure Statement and the Business Multi Currency Account Supplementary Product Disclosure Statement dated 28 January 2011.
- ▶ Business Term Deposit Account Product Disclosure Statement which is issued by HSBC Australia. It supplements and is to be read together with the Business Term Deposit Account Product Disclosure Statement.

About this Notice of Change

This Notice of Change updates the information contained in the HSBC Business Terms and Conditions.

Our contact details

HSBC Bank Australia Limited
580 George Street, Sydney NSW 2000
Phone: 1300 731 720
(or from overseas +61 2 9005 8414)
Fax: +61 2 9006 5440
www.hsbc.com.au

Supplementary Product Disclosure Statements

Business Transaction Account

Updated Information

Chinese currency

This part of the Supplementary Product Disclosure Statement (SPDS) explains the main ways in which using the Business Transaction Account to transact in Chinese currency (called 'Renminbi' or 'CNY') differs from using it to transact in other currencies, as set out in the Business Transaction Account PDS.

You can transact in Renminbi through Business Internet Banking, HSBC*net*, Phone Banking or in person at HSBC branches.

In addition, Renminbi is subject to certain controls and there are limitations which currently apply to everyday transactions.

Restriction description

No cash handling - HSBC Australia does not allow Renminbi cash deposits or withdrawals.

Destination of funds - Remitting Renminbi to mainland China and Macau is not permitted except via HSBC*net* where there is also a corresponding trade settlement transaction for goods and/or services with an eligible company in mainland China.

All Renminbi remittances to and from mainland China are subject to verifications by the Chinese regulators and banks and must comply with the rules and requirements in mainland China. We will process the Renminbi

remittance in accordance with our usual practice. However, we are not responsible for checking that the payment is compliant with Chinese requirements.

You should confirm with your counterparty in mainland China that:

- ▶ they are able to remit or receive the RMB funds;
- ▶ their bank can accept payments with the account name expressed in English. If their bank holds the account name in Chinese characters only the payment may be rejected; and
- ▶ they provide you with the CNAPS (China National Advance Payment System) code of their bank.

Please note that not all cities and provinces in mainland China are within the CNAP scheme and those cities and provinces are subject to change without notice.

Australian Renminbi exchange limits - Currently, Australia has no Renminbi exchange limits.

Remitting Renminbi

HSBC Australia does not have a set limit for the value of overseas remittances of Renminbi. However, there may be cases where the receiving bank is limited to the value of Renminbi it is allowed to receive in any one payment. You should confirm if there are specific limits directly with any receiving banks.

Should the remittance be rejected and the funds are returned due to restrictions set by a receiving bank, HSBC Australia will not be liable for any direct or indirect loss howsoever arising

nor for an exchange loss suffered, principal lost, fees incurred or any delay in the return of the funds from mainland China. HSBC Australia will also not refund any remittance fees. It may take several days for such returned funds to be received into your account with HSBC Australia.

Foreign exchange transactions in Renminbi

Exchange rates and interest rates quoted by HSBC are based on offshore market pricing.

Business Transaction Account – key features - References to HSBCnet

The references to “internet banking” in the table in the section entitled “Business Transaction Account – key features” are now to be read as “Internet Banking and/or HSBCnet”.

Footnote 1 in the section entitled “Business Transaction Account – key features” is now to be read to add the following additional sentences:

“Your use of the Internet Banking Service will be governed by the terms contained in the PDS for the Internet Banking Service. To use HSBCnet you must register for this service. Your use of HSBCnet will be governed by the terms contained in the applicable HSBCnet service agreement, and for HSBCnet profiles established in Australia, the Corporate Electronic Banking PDS, as updated from time to time.”

Authorised Signatories, Delegates - References to HSBCnet

The “Authorised Signatories, Delegates” section is now to be read to add the following additional sentences:

"You may also authorise various Delegates to use HSBCnet to access and operate your Account(s). For further details on HSBCnet see the applicable HSBCnet agreement and, for HSBCnet profiles established in Australia, see also the Corporate Electronic Banking PDS."

Security of access methods - References to HSBCnet

The first sentence of the section entitled "Security of access methods" is now amended and restated as follows:

"For maximum protection of your assets, it is important to keep safe any security devices and/or secret codes such as the Access Codes/ Passwords or the identification reference you use for Phone Banking, the Internet Banking Service and/or HSBCnet, and the PINs for Business Visa Debit Cards."

Definitions – Delegate

The definition of "Delegate" in the "Definitions" section is now amended and restated as follows:

"**Delegate** means you and any person authorised by you and us to use our Phone Banking Service, our Internet Banking Service, HSBCnet or a Business Visa Debit Card to access and operate your Business Transaction Account. You can appoint different people as Delegates for Phone Banking Service, Internet Banking Service, HSBCnet and Business Visa Debit Card (called Cardholders)."

Business Multi Currency Account

Updated Information

Chinese currency

Chinese currency (called 'Renminbi' or 'CNY') is now available for Business Multi Currency Accounts. This part of the SPDS explains the main ways in which using the Business Multi Currency Account to transact in Renminbi differs from using it to transact in other currencies, as set out in the Business Multi Currency Account PDS.

You can transact in Renminbi through Business Internet Banking, HSBC*net*, Phone Banking or in person (other than making deposits or withdrawals which are not allowed) at HSBC branches.

In addition, Renminbi is subject to certain controls and there are limitations which currently apply to everyday transactions.

Business Multi Currency Account – key features – References to Renminbi

The reference to "Available foreign currencies (other currencies may be added later)" in the table in the section entitled "Business Multi Currency Account – key features" is now to be read as including "Chinese Renminbi (CNY)".

Restriction description

No cash handling - HSBC Australia does not allow Renminbi cash deposits or withdrawals.

Destination of funds - Remitting Renminbi to mainland China and Macau is not permitted except via HSBC*net* where there is also a corresponding trade settlement transaction for goods and/or services with an eligible company in mainland China.

All Renminbi remittances to and from mainland China are subject to verifications by the Chinese regulators and banks and must comply with the rules and requirements in mainland China. We will process the Renminbi remittance in accordance with our usual practice. However, we are not responsible for checking that the payment is compliant with Chinese requirements.

You should confirm with your counterparty in mainland China that:

- they are able to remit or receive the RMB funds;
- their bank can accept payments with the account name expressed in English. If their bank holds the account name in Chinese characters only the payment may be rejected; and
- they provide you with the CNAPS (China National Advance Payment System) code of their bank.

Please note that not all cities and provinces in mainland China are within the CNAP scheme and those cities and provinces are subject to change without notice.

Australian Renminbi exchange limits - Currently, Australia has no Renminbi exchange limits.

Remitting Renminbi

HSBC Australia does not have a set limit for the value of overseas remittances of Renminbi. However, there may be cases where the receiving bank is limited to the value of Renminbi it is allowed to receive in any one payment. You should confirm if there are specific limits directly with any receiving banks.

Should the remittance be rejected and the funds are returned due to restrictions set by a receiving bank, HSBC Australia will not be liable for any direct or indirect loss howsoever arising nor for an exchange loss suffered, principal lost, fees incurred or any delay in the return of the funds from mainland China. HSBC Australia will also not refund any remittance fees. It may take several days for such returned funds to be received into your account with HSBC Australia.

Foreign exchange transactions

Exchange rates and interest rates quoted by HSBC in Renminbi are based on offshore market pricing.

You should be aware of the potential risks of investing in a currency that is not your usual or base currency. Fluctuations in exchange rates may also impact your funds adversely when converting currencies. For example, due to foreign exchange fluctuations, the actual Australian dollar equivalent of a foreign currency deposit could be smaller than the original amount deposited in Australian dollars (i.e. there is a risk of loss of principal on an Australian dollar basis).

Please also remember that past performance of a currency is not necessarily an indication of its future performance.

Business Multi Currency Account – key features - References to HSBCnet

The references to “internet banking” in the table in the section entitled “Business Multi Currency Account – key features” are now to be read as “Internet Banking and/or HSBCnet”.

Footnote 1 in the section entitled “Business Multi Currency Account – key features” is now to be read to add the following additional sentences:

“To use HSBC*net* you must register for this service. Your use of HSBC*net* will be governed by the terms contained in the applicable HSBC*net* service agreement, and for HSBC*net* profiles established in Australia, the Corporate Electronic Banking PDS, as updated from time to time. Please note that on HSBC*net* you will be able to view each currency of your Business Multi Currency Account as an individual sub-account of your account and each currency will have an individual sub-account number.”

Authorised Signatories, Delegates and daily transaction limits- References to HSBC*net*

The “Authorised Signatories, Delegates” section is now to be read to add the following additional sentences:

“You may also authorise various Delegates to use HSBC*net* to access and operate your Account(s). For further details on HSBC*net* see the applicable HSBC*net* agreement and, for HSBC*net* profiles established in Australia, see also the Corporate Electronic Banking PDS.”

Security of access methods - References to HSBC*net*

The first sentence of the section entitled “Security of access methods” is now amended and restated as follows:

“For maximum protection of your assets, it is important to keep safe any security devices and/or secret codes such as the Access Codes/

Passwords or the identification reference you use for Phone Banking, the Internet Banking Service and/or HSBCnet. ”

Definitions – Delegate

The definition of “Delegate” in the “Definitions” section is now amended and restated as follows:

“**Delegate** means you and any person authorised by you and us to use our Phone Banking Service, our Internet Banking Service and/or HSBCnet to access and operate your Business Multi Currency Account. You can appoint different people as Delegates for Phone Banking Service, Internet Banking Service and/or HSBCnet.”

Business Term Deposit Account

Updated Information

Chinese currency

Chinese currency (called ‘Renminbi’ or ‘CNY’) is now available for Business Term Deposit Accounts. This part of the SPDS explains the main ways in which using the Business Term Deposit Account to transact in Renminbi differs from using it to transact in other currencies, as set out in the Business Term Deposit Account PDS.

You can transact in Renminbi through Business Internet Banking, HSBCnet, Phone Banking or in person (other than making deposits or withdrawals which are not allowed) at HSBC branches.

In addition, Renminbi is subject to certain controls and there are limitations which currently apply to everyday transactions.

Minimum deposit

Minimum deposit

CNY \$50,000

Restriction description

No cash handling - HSBC Australia does not allow Renminbi cash deposits or withdrawals.

Destination of funds - Remitting Renminbi to mainland China and Macau is not permitted except via *HSBCnet* where there is also a corresponding trade settlement transaction for goods and/or services with an eligible company in mainland China.

All Renminbi remittances to and from mainland China are subject to verifications by the Chinese regulators and banks and must comply with the rules and requirements in mainland China. We will process the Renminbi remittance in accordance with our usual practice. However, we are not responsible for checking that the payment is compliant with Chinese requirements.

You should confirm with your counterparty in mainland China that:

- ▶ they are able to remit or receive the RMB funds;
- ▶ their bank can accept payments with the account name expressed in English. If their bank holds the account name in Chinese characters only the payment may be rejected; and
- ▶ they provide you with the CNAPS (China National Advance Payment System) code of their bank.

Please note that not all cities and provinces in mainland China are within the CNAP scheme

and those cities and provinces are subject to change without notice.

Australian Renminbi exchange limits - Currently, Australia has no Renminbi exchange limits.

Remitting Renminbi

HSBC Australia does not have a set limit for the value of overseas remittances of Renminbi. However, there may be cases where the receiving bank is limited to the value of Renminbi it is allowed to receive in any one payment. You should confirm if there are specific limits directly with any receiving banks.

Should the remittance be rejected and the funds are returned due to restrictions set by a receiving bank, HSBC Australia will not be liable for any direct or indirect loss howsoever arising nor for an exchange loss suffered, principal lost, fees incurred or any delay in the return of the funds from mainland China. HSBC Australia will also not refund any remittance fees. It may take several days for such returned funds to be received into your account with HSBC Australia.

Foreign exchange transactions

Exchange rates and interest rates quoted by HSBC in Renminbi are based on offshore market pricing.

You should be aware of the potential risks of investing in a currency that is not your usual or base currency. Fluctuations in exchange rates may also impact your funds adversely when converting currencies. For example, due to foreign exchange fluctuations, the actual Australian dollar equivalent of a foreign currency deposit could be smaller than the original amount deposited in Australian dollars

(i.e. there is a risk of loss of principal on an Australian dollar basis).

Please also remember that past performance of a currency is not necessarily an indication of its future performance.

Account Access Summary - References to Internet Banking - HSBCnet

The reference to “Internet Banking,” in the “Account access summary” is now to be read as “Internet Banking and/or HSBCnet”.

Footnote 2 in the “Account access summary” is now to be read to add the following additional sentences:

“To use HSBCnet you must register for this service. Your use of HSBCnet will be governed by the terms contained in the applicable HSBCnet service agreement, and for HSBCnet profiles established in Australia, the Corporate Electronic Banking PDS, as updated from time to time.”

Authorised Signatories, Delegates - References to HSBCnet

The “Authorised Signatories, Delegates” section is now to be read to add the following additional sentences:

“You may also authorise various Delegates to use HSBCnet to access and operate your Account(s). For further details on HSBCnet see the applicable HSBCnet agreement and, for HSBCnet profiles established in Australia, see also the Corporate Electronic Banking PDS.”

Security of access methods - References to HSBCnet

The first sentence of the section entitled “Security of access methods” is now amended and restated as follows:

“For maximum protection of your assets, it is important to keep safe any security devices and/or secret codes such as the Access Codes/ Passwords or the identification reference you use for Phone Banking and, the Internet Banking Service and/or HSBCnet.”

Definitions – Delegate

The definition of “Delegate” in the “Definitions” section is now amended and restated as follows:

“**Delegate** means you and any person authorised by you and us to use our Phone Banking Service, Internet Banking Service and/or HSBCnet to access and operate your Business Term Deposit Account. You can appoint different people as Delegates for Phone Banking Service, Internet Banking Service and/or HSBCnet.”

Notice of Change

HSBC Business Terms and Conditions

On and from 28 November 2011, and in accordance to this Notice of Change, the HSBC Business Terms and Conditions have been altered as follows:

1. In the section "Part B: Account Terms" which begins on page 5, the following changes are made:
 - On page 12, in part 17 headed, "Foreign currency conversions," the wording of paragraph 17.1 is deleted and replaced with the following:

"Subject to clause 17.3, an instruction provided 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"
 - Also on page 12, in part 17 headed "Foreign currency conversions," the wording of paragraph 17.2 is deleted and replaced with the following:

"Subject to clause 17.3, if we receive an instruction after the 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.”

2. In the section “Part C: Banking Electronically Terms (for HSBC Business)” which begins on page 15, the following changes are made:

- On page 15, in part 1 headed “Introduction,” the wording of clause 1.3 is deleted and replaced with the following:

“Please note that the Internet Banking Service is governed by the terms and conditions contained in the Product Disclosure Statement for the Business Internet Banking Service that will be provided to you when you register for the Internet Banking Service through hsbc.com.au. If you register to use *HSBCnet*, please note that your use

of HSBC*net* will be governed by the terms and conditions contained in the applicable service agreement and for HSBC*net* profiles established in Australia, the Corporate Electronic Banking PDS. For clarity, this Part C Banking Electronically Terms (for HSBC Business) does not apply to your use of the Internet Banking Service or HSBC*net*, whichever is applicable.”

- On page 16, the following definition is inserted :

“(o) **HSBC*net*** means the service that HSBC makes available through the internet network to enable the electronic receipt and transmission of information and instructions (including in relation to an EFT Account). This service is governed by the terms and conditions contained in our Corporate Electronic Banking Product Disclosure Statement.”

- All other definitions are re-lettered in alphabetical order.

3. In the section “Part F: Payment Methods”, which begins on page 35, the following changes are made:

- On page 35, the wording of clause 2.1 is deleted and replaced with the following:

“Internet Banking Service or HSBC*net* Services that HSBC makes available through the internet to enable receipt and transmission of information and instructions (including in relation to the Account). It is an alternative way to do all your business banking, 24 hours a day,

7 days a week, subject to availability. In order for you to use our Internet Banking Service or *HSBCnet*, you must register. Your use of the Internet Banking Service will be governed by the terms contained in the Product Disclosure Statement for the Business Internet Banking Service. Your use of *HSBCnet* will be governed by the terms and contained in the applicable service agreement and for *HSBCnet* profiles established in Australia, the Corporate Electronic Banking PDS”

This page has been left blank intentionally.

This page has been left blank intentionally.

Call 1300 731 720 (+61 2 9005 8414 from overseas)
Visit [hsbc.com.au/business](https://www.hsbc.com.au/business)

Issued by HSBC Bank Australia Limited ABN 48 006 434 162 AFSL/Australian Credit
Licence 232595 HBAA019CCC 10/11

