

HSBC with Apple Pay

Terms and Conditions and Notice of Change

Effective 02 May 2017

HSBC with Apple Pay Terms and Conditions and Notice of Change

1. These terms

To cater for the new technology used by Apple Pay, HSBC needs to make certain changes to:

1. What You Need to know About Your HSBC Credit Card;
2. Personal Deposit Accounts Combined Financial Services Guide and Product Disclosure Statement with Terms and Conditions; and
3. HSBC Home and Investment Property Loans Booklet of Standard Terms and Conditions.

(collectively "Account Terms") and needs to inform you of the terms and conditions of your use of Apple Pay. This document explains both the changes that will be made to your Account Terms and the terms of using Apple Pay. The changes set out here take effect upon *you* successfully registering for Apple Pay.

DO NOT THROW OUT YOUR CARD if you are not happy with any of these changes, you can delete your HSBC card from your Apple device and continue to use other means of payment which are covered by your existing Account Terms. Do not use the Apple Pay service until you have carefully read these terms and are happy with them. The terms and conditions of your Account Terms that deal with the following areas will be changed as set out below:

In "What You Need to know About Your HSBC Credit Card" the definition of a "card" is changed to:

card means any credit card HSBC issues to you or an *additional cardholder* for use on your account and includes any card *you* transcribe or image into *your* mobile phone or device . Each issued card will be distinguishable from each other.

In "Personal Deposit Accounts Combined Financial Services Guide and Product Disclosure Statement with Terms and Conditions" the definition of Debit Card is changed to:

Debit Card means a Visa Debit Card or an ATM card issued by us for use at EFT terminals to access your Account and includes any Debit Card you transcribe or image into your mobile phone or device. (at p.32)

- (i) "**Debit Card**" means a Visa Debit Card or an ATM Card issued to a User by HSBC for use at EFT Terminals to access your EFT Accounts and includes any Debit Card you transcribe or image into your mobile phone or device. (Please refer to Part C Banking Electronically Terms for definitions of "User", "EFT Terminals" and "EFT Accounts".) (at p.40)

In HSBC Home and Investment Property Loans Booklet of Standard Terms and Conditions the definitions of Card, VISA® Credit Card and VISA® Debit Card are changed to:

Card means a card issued to Users by HSBC for use at EFT Terminals to access your EFT Accounts, excluding a credit card, but including a VISA® Debit Card and an HSBC ATM Card and includes any VISA® Credit or Debit Card you transcribe or image into your mobile phone or device. (at p.134)

VISA® Credit Card means a credit card issued by HSBC pursuant to the rules of the VISA® International Inc. Card Scheme and includes any *VISA® Credit Card* you transcribe or image into your mobile phone or device. (at p.68)

VISA® Debit Card means the Card issued to the User by HSBC for use in accordance with the relevant section of this PDS under the heading "Payment Methods" and includes any VISA® Debit Card you transcribe or image into your mobile phone or device. (at p.139)

For the purposes of these HSBC with Apple Pay Terms and Conditions "HSBC **Card**" means both **Card** and **Debit Card**.

You agree with HSBC to these terms by:

- adding a HSBC Card for use in Apple Pay on your eligible Apple Device, or
- allowing another cardholder to add an HSBC card linked to your account for use in Apple Pay on their Apple Device.

These terms apply in addition to the Account Terms associated with each HSBC Card. Where inconsistent with the Account Terms, these terms apply. Defined terms in the Account Terms have the same meaning in these terms and conditions. It is important that you read these terms and the Account Terms together.

2. Adding and removing a HSBC Card

You can add an HSBC Card to Apple Pay on your eligible Apple Device and any *additional cardholder* can add an HSBC *card* to the additional cardholder's eligible Apple device, provided that:

- we can verify you or the additional cardholder's identity; and
- the account is not in arrears.

You can remove a HSBC Card linked to your account from Apple Pay at any time and an additional cardholder can remove their HSBC Card from Apple Pay at any time.

Instructions on how to add an HSBC Card to Apple Pay, or remove one, are set out at www.hsbc.com.au/applepay

Once an HSBC card is added to Apple Pay, the cardholder can use Apple Pay to authorise transactions on an account. This is done by using the relevant Apple Device in place of a HSBC Card at a contactless payment terminal or in an application on an Apple Device. Some contactless payment terminals may require the cardholder to enter the HSBC Card PIN for transactions over \$100 and where the terminal does not recognise authorisation by means of Touch ID or the Apple Device's passcode.

3. Security and your liability

Any person who can unlock your Apple Device may be able to make transactions using an HSBC Card registered in Apple Pay.

If an HSBC Card linked to your account is registered for Apple Pay on any eligible Apple Device, you are responsible for ensuring that:

1. only the cardholder's fingerprint is registered on the Apple Device (and no other person's fingerprint is registered);
2. the Apple Pay wallet is not shared with anyone and is used only by the cardholder;
3. each cardholder keeps the passcode in the cardholder's Apple Device in the same way as a cardholder would a banking password or PIN secure, including by:
 - not sharing it with anyone;
 - not carrying a record of it with an Apple Device or anything liable to be stolen with an Apple Device (unless a reasonable effort is made to protect the security of it);
 - not choosing an easily guessable passcode such as the cardholder's date of birth or a recognisable part of the cardholder's name; and
 - not acting with extreme carelessness in failing to protect the security of the passcode.
4. the cardholder keeps the Apple Device safe and secure (including by locking it when not in use or when it is unattended and by installing up-to-date anti-virus software on it); and
5. the cardholder removes any HSBC Cards from the cardholder's Apple Device before disposing of the Apple Device.

If a cardholder lets any other person's fingerprint be registered on the cardholder's Apple Device, or the cardholder shares the cardholder's passcode with any other person, you are taken to have **authorised** that person to transact on your account using Apple Pay.

This means that any Apple Pay transaction initiated by that person using the fingerprint or passcode will be **authorised** by you and the Account Terms which deal with unauthorised transactions will not apply.

WARNING: this could result in significant loss or liability in relation to such transactions.

If another person's fingerprint is registered on your Apple Device or the Apple Device of an additional cardholder you must ensure that it is removed. If you or an additional cardholder think another person knows the passcode for the Apple Device, you must ensure that the passcode is changed by you or the additional cardholder, as applicable. At any time, you can delete or suspend your HSBC Card from Apple Pay and any additional cardholder can delete or suspend their HSBC Card from Apple Pay. You cannot suspend the use of an additional cardholder's HSBC Card in Apple Pay, but you can suspend or close the HSBC card of the additional cardholder by calling 1300 308 008 (24 hours a day).

Please call us immediately on 1300 308 008 (24 hours a day) if:

- your Apple Device is lost or stolen;
- your Apple Device's mobile service is suddenly disconnected without your permission (which may indicate you have been subject to mobile phone porting); or
- you suspect a security breach in relation to your Apple Device or Apple Pay or that an unauthorised person has used your passcode, HSBC Card PIN or your other credentials to access Apple Pay.

Based on your report, we will suspend use of your HSBC Card with Apple Pay. This helps protect you as much as possible from additional loss or liability. HSBC warrants that it will comply with the ePayments Code. More terms which affect your liability in relation to transactions are set out in the Account Terms.

In the Account Terms which deal about liability for unauthorised transactions (as set out in the 'Banking Electronically Terms' of your Account Terms):

- each reference to a 'PIN' includes a reference to your Apple Device pass code;
- each reference in 'Security of Access Methods' includes the requirement to keep your Apple Device and its pass code secure as described above; and
- each reference to a lost or stolen card includes a lost or stolen Apple Device,

with all necessary modification, notwithstanding that HSBC does not issue your Apple Device to you (or the associated pass code), and noting that if another person's fingerprint is registered on your Apple Device, any transaction conducted by them is not an unauthorised transaction.

Generally, subject to protections under the ePayments Code described in those terms, you are liable for unauthorised transactions conducted using Apple Pay.

4. Fees and Charges

The Account Terms describe the fees and charges which apply to each relevant account. HSBC does not charge you any additional fees for adding or using an HSBC Card with Apple Pay. You are responsible for all third party charges associated with the use of Apple Pay (such as carriage or mobile data charges).

5. Suspension and termination of Apple Pay

HSBC may block, suspend or terminate your HSBC Card in Apple Pay:

- if HSBC reasonably suspects fraud;
- if your HSBC Card is cancelled, blocked or suspended;
- if you are in default under the Account Terms;
- if required by applicable laws (such as anti-money laundering and counter terrorism financing laws, or sanctions laws as applicable to HSBC and the HSBC Group anywhere in the world);
- if directed to so by Apple or by the applicable card network (for example, in circumstances of suspected fraud);
- if HSBC's arrangements with Apple regarding Apple Pay cease or are suspended; or

- for any other reason.

More circumstances in which electronic access may be removed in relation to your HSBC Card (including through Apple Pay) are set out in the Account Terms.

6. Data Collection and privacy

HSBC may collect information relating to your Apple Device (including app version, device type and model, operating system and security information such as whether you have obtained root access):

- to ensure that your HSBC Card properly functions in Apple Pay;
- for security purposes and to identify fraud;
- for HSBC to better provide assistance to you; and
- to tell you about other products or services that may be of interest to you.

We may also exchange information with Apple and service providers:

- to enable the use of the HSBC Card with Apple Pay and to improve Apple Pay generally; and
- about persons involved in suspected security breaches or fraud.

If you do not want us to collect or disclose this information as described, you should not register an HSBC Card for use in Apple Pay. If you do not want to receive marketing information, phone 1300 308 008.

The Account Terms and HSBC's Privacy Policy (www.hsbc.com.au/privacy) contain more general information about our collection and handling of your information. Once an HSBC Card is registered to your Apple Device, Apple may access your personal information regarding the use of that HSBC Card through Apple Pay. Please see Apple's privacy policy at www.apple.com/au/privacy.

7. Apple Pay provided by Apple

Apple Pay and the Apple devices are provided by Apple, not by HSBC. HSBC's obligation to you in relation to the functionality of Apple Pay is limited to securely supplying information to Apple in order to allow the use of an HSBC Card through Apple Pay.

We are not otherwise liable for the use, functionality or availability of Apple Pay, any Apple Device, the availability of compatible contactless readers at merchant locations, or a reduced level of service caused by the failure of third party communications and network providers (except to the extent that we are deemed liable under the ePayments Code).

You will need to agree to Apple's terms and conditions in order to use Apple Pay.

8. HSBC Liability

HSBC will not be liable for any loss arising from your use of Apple Pay to the extent the loss was caused by:

- your fraud; or
- your use of Apple Pay or the Apple Device in a manner not permitted by Apple (for example, by obtaining root access to your Apple Device); or
- subject to your rights under the ePayments Code, a reduced level of service caused by matters beyond *our* reasonable control (for example, those caused by third party software and network providers).

9. Changes to these terms

HSBC can change these terms by giving you notice as described below. Such changes will not increase your liability for transactions already conducted in relation to the use of an HSBC Card in Apple Pay.

HSBC may make changes required to immediately restore or maintain the security of a system or individual facility without prior notice. We will notify you of such changes as soon as practicable.

Otherwise, HSBC will give you 30 days' prior written notice of any changes which:

- impose or increase our charges relating solely to the use of your HSBC Card in Apple Pay;
- increase your liability for losses relating to transactions conducted using your HSBC Card in Apple Pay; or
- impose, remove or change your daily transaction limit or other periodical transaction limit applying to the use of your HSBC Card in Apple Pay.

HSBC may make any other changes to the terms applying to the use of your HSBC Card in Apple Pay by notifying you before the change takes place.

Notice may be given by letter or by electronic means as set out in clause 10 below. If your HSBC Card is a consumer credit card, we may also provide you with notice in a manner permitted under the national consumer credit legislation, which may include public notice in an Australian national paper.

The current terms will always be available for you to view at www.hsbc.com.au

10. Communication via SMS or Apple Pay

Without limiting any other means of communicating with you under the Account Terms, we may communicate with you by sending an SMS to your Apple Device, an email to the email address you have provided to us or by writing to you at the address you have provided to us. The SMS or notice may include a link to detailed information on our website.

11. Severability and governing law

If any provision or part of a provision of these terms is illegal, invalid or unenforceable, it will be severed from these terms and the remaining provisions (or parts of provisions) will continue in full force and effect. These terms are governed by the law of New South Wales, Australia and you and HSBC agree to submit to the exclusive jurisdiction of the courts of that State.

12. Meanings of words

In these terms:

- **'Account Terms'** mean the terms and conditions contained in: What You Need to know About Your HSBC Credit Card; Personal Deposit Accounts Combined Financial Services Guide and Product Disclosure Statement with Terms and Conditions; and HSBC Home and Investment Property Loans Booklet of Standard Terms and Conditions (as applicable) which refer to a HSBC Card registered on an Apple Device.
- **'Additional Cardholder'** means the holder, other than you, of an HSBC Card linked to your account.
- **'Apple'** means Apple Pty Limited ABN 46 002 510 054 and/or its related bodies corporate and affiliates.
- **'Apple Device'** means a device such as an iPad, iPhone or Apple Watch, manufactured by Apple, which HSBC determines is eligible for the registration of HSBC Cards to be used in Apple Pay.
- **Apple Pay** means the mobile payment and digital wallet service created by Apple that lets users make payments using certain Apple Devices and credit cards or debit cards registered on such Apple Devices.
- **'HSBC', 'we' or 'us'** means HSBC Bank Australia Limited and its successors and assigns, and **'our'** has a corresponding meaning.
- **'HSBC Card'** means an HSBC credit or debit card.
- **"you"** means the account holder of the account related to the HSBC Card which has been added to the Apple Pay wallet and, as the context requires, includes the cardholder of the HSBC Card.

13. Trademarks

Apple and Apple Pay are trademarks of Apple Inc.