

TERMS AND CONDITIONS OF THE PRODUCT

1. FORM, UNIT AND FRACTIONAL OWNERSHIP

- (a) Each HSBC Gold Token ("**HSBC Gold Token**") is issued by The Hongkong and Shanghai Banking Corporation Limited (the "**Bank**") as the Product Issuer in tokenised and unitised form. Each HSBC Gold Token represents the Fractional Ownership record of 0.001 troy ounce of Loco London¹ gold ("**Gold**"), subject to the Limitations (as defined in Condition 1(b) (*FORM, UNIT AND FRACTIONAL OWNERSHIP*) below), as specified by the London Bullion Market Association and is held by the Bank and stored in the vault premises of HSBC Bank plc (the "**Vault Operator**") in England and Wales. All HSBC Gold Tokens will be recorded on an HSBC in-house private permissioned distributed ledger (the "**Ledger**") operated by the Bank (together with its affiliates) as an operator of the Ledger (the "**Platform Operator**"). The Gold is denominated in United States dollars ("**USD**") per troy ounce. For the purposes of the Product offering, such price (in USD) is converted into Hong Kong dollars ("**HKD**") using the Bank's exchange rate between USD and HKD (such exchange rate will be determined by the Bank, acting in good faith and a commercially reasonable manner, with reference to the prevailing market exchange rates) and accordingly, the price of the Gold represented by HSBC Gold Tokens is denominated in HKD. An appointed disposal agent (who may be an affiliate of the Issuer or a third party which is a reputable financial institution selected by the Issuer in good faith and a commercially reasonable manner) (the "**Disposal Agent**") will be obligated under the Disposal Agent Appointment Agreement to liquidate the Gold upon the occurrence of certain circumstances as set out in these Terms and Conditions.

- (b) In these Terms and Conditions,

"**Product**" means the Gold represented by HSBC Gold Tokens.

"**Product Issuer**" means the Bank as the issuer of the HSBC Gold Token.

"**Product Holder**" (in relation to the Product and/or the relevant HSBC Gold Token(s)) means the person whose identification details are registered in the Ledger.

"**Fractional Ownership**" means the fractional ownership of the Gold represented by HSBC Gold Tokens held by the Product Holder, which will be subject to certain limitations, including but not limited to the following (the "**Limitations**"):

- (i) Product Holders will not have the ability to take physical possession or delivery of the Gold at any point, even in the case of insolvency of the Bank (in which an appointed Disposal Agent will be obligated under the Disposal Agent Appointment Agreement to liquidate the Gold and distribute the proceeds to the Product Holders).
- (ii) Product Holders can only trade the Product via the Bank, subject to the below:
- the price of the Product is determined by the Bank according to the pricing mechanism of the Product;
 - any trading outside the Gold Trading Hours (as defined in Condition 5 (*PRICING AND VALUATION*) below) will be subject to a higher Bank Margin of 5% at maximum; and
 - suspension of dealing may be imposed by the Bank.
- (c) For the avoidance of doubt, each HSBC Gold Token is not intended to, and does not, constitute debt obligations of the Product Issuer. The purchaser of the Product (the "**Purchaser**") as Product Holder acquires Fractional Ownership of the Gold represented by the HSBC Gold Token directly

¹ "Loco London" represents the basis for international trading and settlement in gold of the London bullion market. It is a global over-the-counter gold trading market without geographical constraint. The fineness is not less than 99.5%.

upon settlement of a purchase, subject to the Limitations.

- (d) Where in these Terms and Conditions a person is expressed to have a discretion that discretion shall be that person's sole discretion, provided that the discretion shall be exercised by that person in good faith and in a commercially reasonable manner.

2. STATUS AND DEFINITIVE RECORDS OF THE PRODUCT

- (a) Transactions in respect of the Product will be recorded on the Ledger. Subject to Conditions 2(b) and 3 (*LEDGER DISRUPTION EVENT*) below and except in the case of extreme scenarios where the Ledger fails due to unforeseen circumstances or manifest error (such as a Ledger Disruption Event, as defined in Condition 3 (*LEDGER DISRUPTION EVENT*) below), the records on the Ledger will be the legally definitive and final records of the Fractional Ownership² (or other comparable rights and/or interests) in the Gold.
- (b) Fractional Ownership* in the Gold shall pass by allocation of such Gold to the relevant HSBC Gold Token in the Ledger in relation to the relevant Product Holder. Except as ordered by a court of competent jurisdiction or as required by law, the Product Holder shall be deemed to be and may be treated as the absolute owner of the relevant Product for all purposes regardless of any notice of ownership, trust or an interest in it and no person shall be liable for so treating the Product Holder.
- (c) The Bank shall have a lien in respect of any liability (whether actual or contingent, present or future) of any person for the time being interested in a co-ownership entitlement in any Gold.

3. LEDGER DISRUPTION EVENT

In the event of a Ledger Disruption Event, the Product Issuer shall be responsible for maintaining separate off-chain records of Fractional Ownership* of the Product for as long as the Ledger Disruption Event is continuing, and such separate off-chain records shall be the legally definitive record of the Fractional Ownership* of the Gold only in the extreme scenarios where the Ledger fails due to unforeseen circumstances (such as a Ledger Disruption Event).

"**Ledger Disruption Event**" means any event which the Platform Operator, in its discretion, determines has disrupted the operations of the Ledger as a result of which the Platform Operator cannot operate the Ledger in a manner to support the Product.

4. NO EXCHANGE OR TRANSFERS OF PRODUCT

- (a) **Transfer of the Product:** The Product may be transferred only on the Ledger. All transfers of the Product and entries on the Ledger will be made subject to the relevant procedures concerning transfers of the Product as maintained by the Platform Operator. The procedures may be changed by the Platform Operator from time to time.
- (b) **Restriction on Transfer and Delivery:** Transfers of the Product between Product Holders are not permitted. Any Product Holder is permitted to transfer the Product to the Product Issuer only in accordance with Condition 6 (*PURCHASE AND SALE*) and physical delivery of Gold is not available until further notice by the Product Issuer.
- (c) **Transfers Free of Charge:** Transfers of the Product shall be effected without charge to the relevant Product Holder by or on behalf of the Platform Operator, but upon (i) payment by the relevant Product Holder of any applicable tax, duty, assessment or other governmental charges that may be imposed in relation to such transfer and (ii) the Platform Operator being satisfied

² When compared to directly acquiring a physical gold bar, Product Holders will acquire only fractional ownership of the Gold represented by HSBC Gold Tokens. Product Holders should note that the nature of fractional ownership means that their ability to deal with the Gold will be subject to the Limitations.

* Please refer to footnote 2 above and the definition of "Limitations" under Condition 1(b).

in its discretion with the documents of identity of the person making the application and that the procedures concerning transfers of the Product have been complied with.

5. PRICING AND VALUATION

The price of the Gold represented by each HSBC Gold Token is determined by the Bank at the time of the transaction and expressed as a cash value amount in HKD (rounded to the nearest two (2) decimal places (with 0.005 or above being rounded upwards)) as follows:

"Cash Value Amount (Purchase)" means:

$$\text{Weight} \times \text{Gold Price} \times \text{Bank FX Rate} \times (1 + \text{Bank Margin})$$

"Cash Value Amount (Redemption)" means:

$$\text{Weight} \times \text{Gold Price} \times \text{Bank FX Rate} \times (1 - \text{Bank Margin})$$

Where:

"Weight" means 0.001 troy ounce of Gold.

"Gold Price" means the price of one (1) troy ounce of the Gold expressed in USD, as determined by the Product Issuer in its discretion with reference to the prevailing price of the Gold from time to time. In making such determination, the Product Issuer shall have reference to the prevailing market price of Loco London gold based on USD per troy ounce as quoted by market dealers to the Product Issuer.

"Bank FX Rate" means the exchange rate between HKD and USD, as determined by the Product Issuer in its discretion with reference to the prevailing market exchange rates from time to time.

"Bank Margin" means the percentage rate determined by the Bank in its discretion from time to time, representing the margin the Bank charges in relation to the Product. The Bank Margin varies depending on the time when the Instructions (as defined in Condition 6 (*PURCHASE AND SALE*) below) are received, as set out in the following table:

Timing of receipt of an Instruction	Maximum rate of Bank Margin
Received during the traditional Gold trading hours on a Business Day in London and Hong Kong (the " Gold Trading Hours ")	two (2) per cent, i.e., 2%
Received outside the Gold Trading Hours	five (5) per cent, i.e., 5%

"traditional Gold trading hours" generally refers to the period between Mondays 07:00 and Fridays 24:00, Hong Kong time, other than the period between 05:00 and 07:00 on each such day.

"Business Day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London and Hong Kong.

6. PURCHASE AND SALE

Subject to Condition 7 (*AUTOMATIC TRADING SUSPENSION*), each Purchaser may give an instruction (each a "**Purchase Instruction**") to the Product Issuer to purchase any amount of Gold represented by HSBC Gold Tokens (subject to a maximum amount of 5,000 troy ounces of Gold, i.e., 5,000,000 HSBC Gold Tokens per transaction) on any day (such day, the "**Purchase Date**") at the relevant Cash Value Amount (Purchase), as made available by the Product Issuer from time to time.

Subject to Condition 7 (*AUTOMATIC TRADING SUSPENSION*), each Product Holder may give an instruction (each a "**Sell Instruction**", together with the Purchase Instructions, "**Instructions**" and each an "**Instruction**") to the Product Issuer to sell any amount of Gold represented by HSBC Gold Tokens (subject to a maximum amount of 5,000 troy ounces of Gold, i.e., 5,000,000 HSBC Gold Tokens per transaction) on any day (such day, the "**Redemption Date**") at the relevant Cash Value Amount (Redemption), as made available by the Product Issuer from time to time.

7. **AUTOMATIC TRADING SUSPENSION**

Trading of the Product may be suspended automatically within any Relevant Period without prior notice to any Purchaser and Product Holder if the net trading position of the Product during such Relevant Period exceeds the Position Limit. Trading will be resumed as soon as reasonably practicable after such suspension.

"**Position Limit**" means a net position of an amount of troy ounces of the Gold as determined by the Product Issuer from time to time, with reference to the Product Issuer's internal risk management limits, and taking into account various factors including for example market liquidity and price volatility.

"**Relevant Period**" means the period between Saturdays 00:00 and Sundays 24:00, Hong Kong time.

8. **FEES AND CHARGES**

There are no handling charges and expenses by the Bank in relation to the operation of the Ledger, other than the actual buying or selling price at the time of the transaction to purchase or sell the Product. Any fees and charges incurred by the Bank are contained and included in our sell and buy price calculations.

9. **PAYMENTS**

(a) **Payments of Cash Value Amount (Purchase) on purchase of the Product:**

Payments of Cash Value Amount (Purchase) in respect of any Gold represented by HSBC Gold Token shall be made by the Purchaser upon giving a Purchase Instruction of the relevant Gold represented by HSBC Gold Token to the Product Issuer and shall be made by transferring to an account denominated in HKD with the Bank.

(b) **Payments of Cash Value Amount (Redemption) on sale of the Product:**

Payments of Cash Value Amount (Redemption) in respect of any Gold represented by HSBC Gold Token shall be made to the Product Holder by transferring to an account denominated in HKD with the Bank.

(c) **Payments subject to Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 15 (*TAXATION*). No commission or expenses shall be charged to the Product Holders in respect of such payments.

10. **SETTLEMENT OF THE PRODUCT AND DISRUPTIONS**

For each transaction in respect of the Product, the settlement of the Product and the update to the Ledger reflecting such transaction (including details of the relevant Product Holder as the owner of the relevant Gold) is expected to be completed on the Settlement Date, subject to the occurrence of any Settlement Disruption Event.

The Product Issuer shall determine, in its discretion, whether or not at any time a Settlement Disruption Event has occurred and where it determines such an event has occurred and has

prevented the settlement of the Product on the original day that but for such Settlement Disruption Event would have been the Settlement Date, then the Settlement Date will be the first succeeding day on which settlement of the Product can take place.

"Settlement Date" means the second Business Day following the Trade Date.

"Settlement Disruption Event" means any event which the Product Issuer, after the use of all reasonable efforts, cannot overcome and to be an event as a result of which the Product Issuer cannot settle the transactions of the Product, or in the case of a Purchase Instruction, where the Product Issuer, after its use of all reasonable efforts, is unable to find any seller in relation to such Gold. The Product Issuer shall determine any Settlement Disruption Event in its discretion.

"Trade Date" means the Purchase Date or the Redemption Date, as the case may be.

11. LIQUIDATION

(a) Liquidation Event

Upon the occurrence of a Liquidation Event, which shall be designated by the Disposal Agent in its discretion, the Disposal Agent shall give a liquidation commencement notice (the **"Liquidation Commencement Notice"**) to the Product Issuer and the Product Issuer shall as soon as is reasonably practicable give such Liquidation Commencement Notice to the Product Holders, provided that if at such time the Product Issuer is not able to do so and, as far as reasonably practicable, the Disposal Agent will give such Liquidation Commencement Notice to the Product Holders by posting the Liquidation Commencement Notice on a website. The giving of the Liquidation Commencement Notice to the Product Issuer in accordance with the Disposal Agent Appointment Agreement is final and conclusive as to the occurrence of a Liquidation Event and the Product Holders shall not dispute the occurrence of such Liquidation Event.

"Liquidation Event" means, with respect to the Product Issuer, (i) the commencement of any resolution process or proceeding, recovery proceeding or any analogous proceeding in any jurisdiction, or (ii) the application of any resolution tool, crisis prevention measure, crisis management measure or any analogous step taken in any jurisdiction, in each case including but not limited to any proceeding or step taken by the resolution authority in accordance with the Financial Institutions (Resolution) Ordinance (Cap. 628 of the laws of Hong Kong).

(b) Liquidation Process

Following the giving of the Liquidation Commencement Notice pursuant to Condition 11(a) (*Liquidation Event*) above, the Disposal Agent shall, in its discretion, exercise Options (as defined in Condition 12(b) (*Sale of the Gold upon occurrence of a Liquidation Event*) below) over a period of time in order to purchase the Product from the relevant Product Holders, and sell the relevant Gold in accordance with the Disposal Agent Appointment Agreement (the **"Liquidation"**). The Disposal Agent shall pay the relevant Option Price (as defined in Condition 12(b) (*Sale of the Gold upon occurrence of a Liquidation Event*) below) to the Paying Agent for further payment to each Product Holder based on the ownership information in the Ledger as at the time of occurrence of the Liquidation Event upon the Disposal Agent being satisfied in its discretion with the documents of identity or other documents which the Disposal Agent may reasonably request from any Product Holder.

"Paying Agent" means the person responsible for paying the proceeds from any Liquidation to the Product Holders. For the avoidance of doubt, the role of the Paying Agent may be assumed by the Product Issuer or any of its affiliates, or any other third party appointed by the Product Issuer.

12. STANDING AUTHORITY FROM PRODUCT HOLDERS

By purchasing the Product, each Product Holder provides the standing authorities below (each a

"Standing Authority") to the Product Issuer and/or the Disposal Agent (as the case may be) in respect of the Product:

(a) Substitution

Each Product Holder authorises the Product Issuer and any of its affiliates in its discretion at any time:

- (i) to substitute any Gold represented by the relevant HSBC Gold Tokens held by the Product Holder for any other equivalent Gold (the **"Substitution"**) without giving any prior notice to that Product Holder; **provided** that the equivalent Gold will be represented by the HSBC Gold Tokens after completion of the Substitution and at all times the total amount of Gold owned by that Product Holder shall remain unchanged as a result of a Substitution; and
- (ii) as a result of a Gold Loss Event, to: (A) debit from its account any Gold represented by the relevant HSBC Gold Tokens held by any of the Product Holders in an amount (as determined by the Product Issuer in good faith and a commercially reasonable manner) representing the *pro rata* share of the loss arising from the relevant Gold Loss Event (the **"Loss"**) among all Product Holders at the time of such Gold Loss Event; and (B) where applicable, credit to its account any Gold represented by the relevant HSBC Gold Tokens in an amount (as determined by the Product Issuer in good faith and a commercially reasonable manner) representing the *pro rata* share of the amount received by the Vault Operator in relation to the Loss under any Insurance.

"Gold Loss Event" means, with respect to the Gold represented by the relevant HSBC Gold Tokens held by the Product Holders, any event that results in loss to any such Gold whether or not it is covered by the relevant insurance policies maintained by HSBC group in respect of custodising such Gold (the **"Insurance"**).

Each Product Holder acknowledges and agrees that:

- (i) a Substitution may be for the purpose of consolidating the Fractional Ownership* of Gold by the Product Holder across various bars of Gold into one or more bars of Gold or other reasons;
- (ii) upon the completion of a Substitution, the Product Holder will cease to hold any legal or beneficial interest in the Gold represented by the HSBC Gold Tokens before the Substitution and will hold the legal and beneficial interest of the Gold represented by the relevant new HSBC Gold Tokens after the Substitution; and
- (iii) this Standing Authority shall be valid for an unlimited duration and shall only be revoked automatically upon the Product Holder ceasing to be a Product Holder or closure of the Product Holder's account, or upon the delivery of the Liquidation Commencement Notice in accordance with Condition 11 (*LIQUIDATION*) above.

(b) Sale of the Gold upon occurrence of a Liquidation Event

Each Product Holder grants the Disposal Agent an option (the **"Option"**) in respect of the Gold represented by each HSBC Gold Token owned by such Product Holder which becomes exercisable by the Disposal Agent at any time on or after the occurrence of a Liquidation Event. Each Option entitles the Disposal Agent to purchase the Gold represented by a HSBC Gold Token from the Product Holder at the Option Price.

The option price (the **"Option Price"**), on any day, shall be an amount in HKD determined by the Disposal Agent in its discretion equal to:

* Please refer to footnote 2 above and the definition of "Limitations" under Condition 1(b).

$$\text{Weight} \times \text{Gold Price (DA)} \times \text{DA FX Rate} \times (1 - \text{DA Margin})$$

"**Weight**" means 0.001 troy ounces of the Gold.

"**Gold Price (DA)**" means the price of one (1) troy ounce of Gold expressed in USD, as determined by the Disposal Agent at its discretion (acting in good faith and a commercially reasonable manner) with reference to the actual price at which the Disposal Agent is able to in fact sell the relevant Gold at the time of disposal of the relevant Gold in accordance with the procedures described in the Disposal Agent Appointment Agreement.

"**DA FX Rate**" means the exchange rate between HKD and USD, as determined (acting in good faith and a commercially reasonable manner) by the Disposal Agent with reference to the prevailing market exchange rates from time to time.

"**DA Margin**" means the percentage rate specified by the Disposal Agent in its discretion from time to time (acting in good faith and a commercially reasonable manner), representing the margin which the Disposal Agent charges in relation to the discharge of its duties as Disposal Agent pursuant to the Disposal Agent Appointment Agreement, and shall take into account (but not be limited to) the Liquidation Expenses.

"**Liquidation Expenses**" means (i) any taxes, (ii) any reasonable transaction fees or commissions applicable to such Liquidation, including any brokerage or exchange commissions and (iii) other out-of-pocket expenses (including, without limitation, legal expenses) properly incurred by the Disposal Agent in connection with the duties and obligations performed by the Disposal Agent in accordance with the Disposal Agent Appointment Agreement (and shall include any fees, costs, taxes or charges incurred by the Disposal Agent in any onward sale of the relevant Gold), provided that such transaction fees or commissions are limited to and no higher than those that would necessarily and routinely be charged by a third-party market participant to whom such fees or commissions are payable for a sale transaction of that type to third parties on an arm's length basis.

Each Product Holder irrevocably appoints the Disposal Agent to be its attorney and, in its name, on its behalf and as its act and deed to do all things which the Disposal Agent may consider to be required or desirable for exercising and settling the Option.

The Disposal Agent may rely on and enforce the terms of this Condition 12(b) (*Sale of the Gold upon occurrence of a Liquidation Event*) subject to and in accordance with the Contracts (Rights of Third Parties) Act 1999.

13. **FORCE MAJEURE**

If (in the good-faith opinion of the Product Issuer) Force Majeure has occurred and is continuing with respect to an obligation under these Terms and Conditions, such obligation which would otherwise be required to be performed under these Terms and Conditions will be deferred to, and will not be due to be performed until the date on which the event or circumstance constituting or giving rise to that Force Majeure ceases to exist or, if such date is not a Business Day, the first following day that is a Business Day. The Product Issuer shall give notice to the Product Holders upon the occurrence or the ceasing (as the case may be) of Force Majeure as soon as reasonably practicable.

"**Force Majeure**" means any force majeure, act of state, or other event or circumstance occurring as a consequence of which the fulfilment of the obligations of the Product Issuer under the Product has become impossible through the occurrence of an external event that is not attributable to the Product Issuer.

14. **TERMINATION OF THE PRODUCT**

The Product may be terminated by the Bank as the Product Issuer if: (i) the Bank goes into

liquidation or a receiver is appointed and not discharged within thirty (30) days; (ii) the Bank is incapable of performing its duties satisfactorily; (iii) in the reasonable opinion of the Product Issuer, a Prolonged Force Majeure has occurred; or (iv) any law or regulation is passed or amended or any regulatory directive or order is imposed that affects the Product or renders it illegal, or (in the good-faith opinion of the Bank) impracticable or inadvisable to continue the offering of the Product. If the Bank decides to terminate the Product, it shall designate a date (the "**Stop Dealing Date**") on which any purchase and sale of the Product shall be suspended, and all Product Holders will be deemed to have sold all of their Gold to the Product Issuer on the Stop Dealing Date at the price determined under Condition 5 (*PRICING AND VALUATION*) above.

"**Prolonged Force Majeure**" means the continuation of a Force Majeure for a period of one (1) year or more from the date of the occurrence of such Force Majeure.

15. TAXATION

All payments by or on behalf of the Product Issuer in respect of the Product shall be made subject to withholding or deduction for, or on account of, any present or future taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Hong Kong or any political sub-division or authority therein or thereof having power to tax.

16. APPOINTMENT OF AGENTS

- (a) The Vault Operator and the Platform Operator and their respective initial specified offices are specified below. The Product Issuer reserves the right at any time to vary or terminate the appointment of the Vault Operator and the Platform Operator and to appoint additional or other agents, provided that there will at all times be a Vault Operator and a Platform Operator (as applicable) where required by these Terms and Conditions. Any variation or termination of the Vault Operator will also be subject to regulatory approval (as applicable). The resignation of the Vault Operator will be effective only upon the appointment of the replacement Vault Operator. The Vault Operator and the Platform Operator reserve the right at any time to change their respective specified offices to some other specified office in the same city. Notice of all changes in the identities or specified offices of the Vault Operator and the Platform Operator will be given promptly by the Product Issuer to the Product Holders in accordance with Condition 18 (*NOTICES*).
- (b) The Vault Operator, the Platform Operator and the Disposal Agent act solely as agents of the Product Issuer and, save as provided in the agency agreements or any other agreement entered into with respect to its appointment, do not assume any obligation towards or relationship of agency or trust for any Product Holder and each of them shall only be responsible for the performance of the duties and obligations expressly imposed upon it in such agency agreements or other agreement entered into with respect to its appointment or incidental thereto.

17. PERSONAL DATA

Each Product Holder expressly authorises and permits that the Personal Data relating to the Product Holder may be collected, used, processed, transferred and/or disclosed by the Bank (and/or its affiliates) to other persons (including, without limitation, the Paying Agent) for the purposes of the Liquidation process as set out in Condition 11(b) (*Liquidation Process*) above and in compliance with the Personal Data (Privacy) Ordinance (Cap. 486 of the laws of Hong Kong). You understand and agree that the Personal Data may be further disclosed or transferred by such other persons to other third parties for the purposes of giving effect to the Liquidation process. Such disclosure may be required or appropriate to enable the Paying Agent to pay the proceeds from any Liquidation to the Product Holders (where applicable).

For the purposes of this Condition, "**Personal Data**" refers to all or any of the following items relating to the Product Holder, where applicable: (i) any personal data relating to such Product Holder from which such Product Holder can be identified, whether with other data or other

information the Bank is likely to have access to or otherwise, including without limitation, sensitive personal data, name(s), residential address(es), contact information, age, date of birth, place of birth, nationality, citizenship, personal and marital status; (ii) information about the Product Holder's accounts, transactions, use of the Bank's products and services and relationship with the HSBC group; and (iii) documentation or information about the tax status of the Product Holder.

18. NOTICES

- (a) Any notice or other communication to the Product Holders may be delivered personally to the Product Holders or sent to the Product Holders by post at their address as stated in the account opening booklet or such other address as notified in writing to the Product Issuer or may be delivered in such other mode of communication as may be agreed by the Product Issuer and the relevant Product Holder or as the Product Issuer may reasonably determine, and will be deemed to have been received by the Product Holders, where sent by prepaid post 24 hours after dispatch and, in all other cases, where successfully sent or delivered, whether or not it is actually received.
- (b) Any notice to the Product Issuer may be delivered personally or by prepaid registered post sent to the Product Issuer at the address as set out below:

Level 18, HSBC Main Building, 1 Queen's Road Central, Hong Kong

19. VARIATION, MODIFICATION AND SUPPLEMENT OF TERMS

The Product Issuer shall have the right to vary, modify or supplement the provisions of these Terms and Conditions from time to time upon giving at least one month's prior notice to the Product Holders.

20. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of the Product under the Contracts (Rights of Third Parties) Act 1999 (the "**Act**"), except and to the extent that these Terms and Conditions expressly provide for such Act to apply to any of their terms.

21. GOVERNING LAW AND JURISDICTION

- (a) These Terms and Conditions, the Product and any non-contractual obligations arising out of or in connection with these Terms and Conditions and/or the Product are governed by, and construed in accordance with, English law.
- (b) If the Product Issuer is represented by an attorney or attorneys in connection with the signing and/or execution and/or delivery of each agreement or document referred to herein or made pursuant hereto and the relevant power or powers of attorney is or are expressed to be governed by the laws of a particular jurisdiction, it is hereby expressly acknowledged and accepted by the other parties hereto that such laws shall govern the existence and extent of such attorney's or attorneys' authority and the effects of the exercise thereof (including without limitation any non-contractual obligations).
- (c) The Hong Kong courts have non-exclusive jurisdiction to settle any dispute arising out of or in connection with these Terms and Conditions and the Product, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with these Terms and Conditions and/or the Product (a "**Dispute**") and accordingly each of the Product Issuer and any Product Holder in relation to any Dispute submits to the non-exclusive jurisdiction of the Hong Kong courts.

THE BANK AND THE PRODUCT ISSUER

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