

Product Description of Chinese Yuan Corporate Savings Account

This information is for reference only. It is designed to give customers a better understanding on our products. Special Terms and Conditions on Chinese Yuan Corporate Savings Account, Terms and Conditions on Foreign Currency Savings Account, Terms and Conditions on Account with Free Deposits and Withdrawals and General Terms and Conditions on Deposit Transaction shall apply to Chinese Yuan Corporate Savings Account. When you apply for Chinese Yuan Corporate Savings Account, you will be provided with the relevant special terms and conditions, and when you enter into the agreement for the Account, you will be provided with the relevant documents including but not limited to the account opening confirmation letter.

1. Product Overview

- Name of Product: China CNY Corporate Savings Account and China CNY Overseas Payment Savings Account
- Key Features: The Accounts are suitable for Korea-based companies which carry out CNY transactions with companies located in China (designated by the Chinese administrative rules). They allow you to access your funds for everyday transactions and withdrawals while earning fixed interest income on the daily balance.

2. Terms

- **For detailed terms of the contract, please see the account opening conformation letter provided to you.**

| Category | Details |
|------------------------|--|
| Customer Eligibility | Any company located in Korea which conducts business of purchasing or supplying products or services to China-based companies designated pursuant to the administrative rules on settlement of cross-border trades in Yuan jointly promulgated by the People's Bank of China together with other mainland authorities. |
| Minimum Deposit Amount | Within the amount specified in supporting documents submitted (product transactions, etc) |
| Deposit and Withdrawal | <p>1. China CNY Corporate Savings Account</p> <p>Deposits or payments into/from the Accounts may be made by telegraphic transfer (including account transfer). Cash deposits or payments in the Accounts shall be limited to currencies which the Bank handles in cash. However, CNY deposits by telegraphic transfer from other regions than the mainland and cash deposits/payments in CNY are not permitted.</p> <p>2. China CNY Overseas Payment Savings Account</p> |

| | |
|--|--|
| | You may deposit CNY funds obtained through foreign exchange service of the Bank three (3) month before the remittance date for the purpose of sending money to China for trade settlement only. As for withdrawal, you are only allowed to withdraw money from the Account to send money to China for trade settlement. Deposit of CNY funds remitted by telegraphic transfer is not allowed. If you don't remit the funds deposited in the Account to China, they shall be converted back into the original currency which may result in FX gain or loss. |
| Deposit Period | No limitation As for China CNY Overseas Payment Savings Account, however, if the Bank recognizes that CNY deposit exceeding the amount or the holding period permitted before remittance to China is made, the relevant deposit shall be converted back into the original currency at T/T exchange rates available for customers, which may result in FX gain or loss. |
| Interest Rate/Payment Method | -The interest rate notified at a branch office of the Bank or on the internet homepage of the Bank as of the date of account opening shall apply. -The interest rate may change. If the rate changes, the new rate shall apply upon the date of change. -The time and method of interest payment shall be determined in accordance with the relevant terms and conditions |
| Number of days per year (for Interest Calculation) | 360 days |
| Exchange Rate applicable as of the deposit/withdrawal date | Telegraphic transfer exchange rate |
| Termination | You may terminate the savings account at any branch of the Bank. |
| Depositor Protection | This product is eligible for the protection under the Depositor Protection Act. The Korea Deposit Insurance Corporation protects a maximum of KRW50mil including the principal and interest for each depositor at each financial institution in accordance with the Act. |

3. Important Note

- Foreign currency cash deposits in or withdrawals from the Accounts are limited to such currencies as USD, EUR, HKD, JPY and KRW only. Deposits or withdrawals in CNY cash are not allowed.
- CNY deposits made via telegraphic transfer from other regions than China are not allowed. As for China CNY Overseas Payment Savings Account, deposits shall be made only through the Bank's

foreign exchange service, and CNY funds via telegraphic transfer from China are not accepted to the Account.

- The Bank may request the customer to submit relevant supporting documents to check the customer's eligibility of the service. If the customer fails to comply with the request of the Bank, the customer is not allowed to use the service.
- China CNY Overseas Payment Savings Account, deposits are limited to CNY funds obtained through foreign exchange service of the Bank for the purpose of sending money to China for trade settlement, while withdrawals are limited to remittances to China for trade settlement.
- China CNY Overseas Payment Savings Account, if the Bank recognizes that CNY deposit exceeding the amount or the holding period permitted before the remittance is made, the relevant deposit shall be converted back into the original currency at T/T exchange rate available for customers, which may result in FX gain or loss.

If you have any enquiries or complaints about the service provided by HSBC bank, please feel free to contact us at 1588-1770 (call center) or 2004-0280 (compliance) or visit our internet website (www.hsbc.co.kr). If you need help with any dispute regarding the service, you can ask help from Financial Supervisory Service (call at 1332).