

## GENERAL TERMS AND CONDITIONS

*GENERAL TERMS AND CONDITIONS of Bank of China (Europe) S.A.*, having its registered office at 55, boulevard Royal, L-2449 Luxembourg, registered with the Luxembourg Trade and Companies Register under number B 36940 and being subject to the supervision of the Luxembourg financial sector authority (*Commission de Surveillance du Secteur Financier*, the "CSSF") (*hereinafter the "Bank"*)

These general terms and conditions (the "**General Terms and Conditions**") govern the relationship between the Bank and its clients (hereafter referred to as the "**Clients**" or "**Account Holders**", or when used in singular form, the "**Client**" or "**Account Holder**").

The Client may be a natural person ("**Natural Person**"), or a legal entity ("**Legal Entity**"), it is understood that the Client is the beneficial owner of the bank account opened hereafter (the "**Account**").

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## 1. General provisions

### 1.1 Scope of application and amendment of terms

Until termination (as referred to in Clause 1.21 below), relations between the Bank and its Clients are governed by these *General Terms and Conditions* and by any special agreements that may be entered into by the Bank and the Clients from time to time, together with all Luxembourg laws and regulations ("**Luxembourg Laws**") and usual banking practices recognized as such in Luxembourg.

The Bank may, at any time, amend these *General Terms and Conditions* unilaterally, subject to giving the Client at least thirty (30) days' notice, or sixty (60) days' notice in respect of a Consumer Client (as defined below), by mailing, electronic mail, account statement, notice on the website or other means of communication (including SWIFT), so as to take into account in particular any legislative or regulatory amendments, as well as changes in banking and market's practice.

For the purpose of the *General Terms and Conditions*, "**Consumer Client**" means a natural person who, in relation with payment service contracts, is acting for purposes other than his/her trade, business or profession. Furthermore, for the purpose of the *General Terms and Conditions*, "**you(r)**" refers to the Client and in the event that the Client is a Legal Person also to its representatives.

The Bank shall consider these amendments approved if it has received no written objection from the Client before the amendment takes effect. If the Client does not agree with the amendments, he shall be entitled to terminate its relations with the Bank in writing, at no cost, before the date the amendment takes effect.

By exception to the principles above:

- when informing you of any change in the collection or processing of your Personal Data, the Bank shall provide you the details required by articles 13 and 14 of the GDPR (both as defined below in Paragraph 1.17 of these *General Terms and Conditions*); and
- with respect to the collection or processing of your Personal Data which are carried out by the Bank on the lawful basis of your consent (as the case may arise), the changes will be subject to your express consent.

### 1.2 Information on the Bank

All general information on the Bank, its status, license and other relevant regulatory information, including an electronic leaflet listing the rights of the Client under the Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market may be freely consulted on the website of the Bank at [www.bankofchina.com/lu](http://www.bankofchina.com/lu).

### 1.3 Opening of bank account – continuous updating of Client data

In accordance with the Client's demands, the Bank may open an Account once the Client has completed all account opening processes and documents to the Bank's satisfaction and has provided all information and documents requested by the Bank in accordance with Luxembourg laws and regulations, such as, but not limited to, those related to the fight against money laundering and terrorist financing and the automatic exchange of information, including the information that needs to be exchanged in fulfilment of the obligations described under Articles 1.18.3 (*FATCA*) and 1.18.4 (*CRS*) of these *General Terms and Conditions*.

The Client will not be allowed to open an account of whatever type nor will the Client be allowed to carry out any transaction until the Client has submitted all documents as requested by the Bank to the latter's full satisfaction, and the account number has been communicated to the Client.

To this end, the Client will fill in the appropriate documentation and provide the Bank with the requested information. The Client shall be held responsible when failing to communicate his/her/its correct status of US taxpayer as the case may be, especially when filling in the related part of documentation with respect to the opening of Account, including the *Private Opening Application*

*Form and Information Reference or the Legal Entity Account Opening Information and the Company Account Application or the Bank Account Opening Application.*

The Client shall be the beneficiary owner of the assets and related income held with the Bank, while releasing the Bank of any tax-reporting obligation to third parties other than the reporting obligations specified in the provisions of Articles 1.17.3 and 1.17.4 of these General Terms and Conditions, save if mentioned to the contrary in any specific document.

Any change of Client's identification information must be notified to the Bank without delay. The Client being a natural person will promptly notify the Bank of any change of his/her certificate of identity, address, telephone number etc. in due course. A Client being a legal entity will promptly notify the Bank of any change related to its capacity or status and communicate all supporting documents if requested by the Bank. When appropriate, the Bank may accept a substitution of proxy holders.

The Bank reserves the right to decide at its sole discretion whether to accept or reject any Client and/or to terminate with immediate effect the relationship with its Client. If the Client fails to deliver any such document in a timely manner to the Bank, the Bank is authorized to liquidate the positions of the Client and to close the Account without further notice and to take any other action permitted or required by law. Should the identification not be fulfilled but the assets of the Client are already in custody at the Bank, these assets shall be frozen in a non-interest bearing deposit until these identification requirements are fulfilled.

#### **1.4 Operation of bank account**

Accounts opened in the name of several Account Holders shall be held in a joint account ("**Joint Account**"), and can be operated either with a joint signature of the Account Holders ("**Undivided Account**") or with the individual signature of any of the Account Holders ("**Joint and Several Account**").

##### **1.4.1 Undivided Account**

Operations on Undivided Accounts require the signature of all of the Account Holders. The Account Holders of an Undivided Account must give instructions jointly to the Bank in order to carry out any management operations or transactions on such Undivided Account, including closing the Undivided Account, entering into loans, granting to the Bank or to a third party or revoking any management and disposal powers, and pledging assets as security. However, a power to carry out any management operations or transactions granted by all of the Account Holders of an Undivided Account may be revoked at the request of any of the Account Holders.

All of the Account Holders of an Undivided Account are jointly and severally liable to the Bank for all associated obligations.

In the event of the death of one of the Account Holders of an Undivided Account, and unless otherwise provided by law, the deceased Account Holder will be automatically replaced by his beneficiaries. The heirs shall remain liable to the Bank for any obligations owed by the deceased Account Holder at the time of death as a result of his joint and several liability for debt.

##### **1.4.2 Joint and Several Account**

Operations on Joint and Several Accounts require the signature of any one of the Account Holders of the Joint and Several Account. Each Account Holder of the Joint and Several Account is entitled to carry out any management operations or transactions, including closing the account, entering into loans, granting to the Bank or to a third party or revoking any management or disposal powers, and pledging assets as security, in which case the Bank will not be required to provide express notice thereof to the other Account Holders of the Joint and Several Account or heirs, if applicable.

In executing an instruction provided on the basis of the signature of one Account Holder of a Joint and Several Account, the Bank shall not be held liable with regard to the other Account Holder(s) of the Joint and Several Account, or to any deceased Account Holders of the Joint and Several Account, or any heirs or representatives, even if they are minors, of any of the Account Holders of the Joint and Several Account, or any beneficiaries whomsoever.

New holders of a Joint and Several Account may be added only with the consent of all of the other Account Holders.

All of the Account Holders of a Joint and Several Account shall be jointly and severally liable to the Bank for any obligations contracted individually or jointly with respect to the Joint and Several Account.

The death of one or more Account Holders of a Joint and Several Account will not affect the terms and conditions of the Joint and Several Account's operation.

In the event that one or more Account Holders of a Joint and Several Account, or one of the beneficiaries or legal representatives of a deceased Account Holder of a Joint and Several Account, notifies the Bank in writing of their objection to one or more instructions issued by one or more of the other Account Holders, the Bank will not execute the contested instruction(s) and it will deem the joint and several account agreement to be terminated. With respect to the Bank, the Account Holders' joint and several liability as creditors shall cease immediately. However, the Account Holders' joint and several liability as debtors shall remain unchanged. Following termination of the joint and several account agreement, the relevant Joint and Several Account will operate in accordance with the rules governing Undivided Accounts.

#### **1.4.3 Client's death or incapacity**

In the case of the Client's death or incapacity, the persons authorized to represent the deceased or incapacitated Client's estate or assets and liabilities (in particular, but without being limited to, the executor of the will or the heirs) shall or if otherwise provided for in the law, replace the Client in the relationship with the Bank.

Upon the death of the Client, the Bank may, without however being obliged to, demand the production of a certificate of inheritance or any other document that the Bank may deem is required (and in such form as the Bank may decide) in order to clarify the rights related to the late Client's assets deposited with the Bank (including, without however limitation, a death certificate ("*acte de décès*") issued by the competent Luxembourg or foreign public authority and a list of heirs issued by a notary public or a Luxembourg or foreign court). Except in the event of gross negligence or wilful misconduct on its part, the Bank may validly rely on such documents and consider any person(s) designated therein as the person(s) entitled to the assets of the late Client deposited with the Bank.

As long as the Bank has not been formally notified in writing about the death or the incapacity of the Client, the Bank may not be held liable when it carries out orders received from the holder of a power of attorney or proxy of the deceased or incapacitated Client.

Upon production of the relevant documentation in a form which is satisfactory to the Bank, any of the heirs of the late Client may withdraw or transfer the late Client's assets kept with the Bank on behalf of himself and on behalf of the other heirs.

#### **1.5 Signatures and powers of attorney**

##### **1.5.1 Signatures**

The Client is required to deliver to the Bank a list of the persons authorized to sign on his behalf, together with their specimen signatures along with an indication of a sole signature (in respect of Joint and Several Account) or joint signatures (in respect of Undivided Account) being effective, and

give written notice to the Bank of any changes made to the list or to the signatures as soon as possible, together with any supporting documents and information that the Bank may request.

Once the Account is opened, the signatures conformity with the specimens is strictly required. Shall it not be the case, the Bank is entitled to refuse any requests or instructions from the Account Holder.

Any change, addition or cancellation of signature of the Account Holder must be confirmed by the relevant Account signatory/signatories in case the Account Holder(s) is/are Natural Person(s). Should the Account Holder be a Legal Entity any change, addition or cancellation of signature should be evinced by a documentation in a form satisfactory to the Bank showing that the new Account signatory(ies) has/have been duly empowered by the Legal Entity for the purpose of the management and operation of the Account(s) concerned. The new signatory/ies is/are empowered to inquire about the Account activities conducted prior to the above change.

Regarding a Legal Entity, the signature specimen shall be given by validly authorized persons, so that any evidence of such authorization shall be provided to the Bank on request. The Bank assumes no responsibility for verifying the accuracy or the completeness of the data presented by the Client.

The signatures and signing power(s), which are on the Client specimen signature file or which have been notified in writing to the Bank, shall remain valid until the business day following the day on which an express written revocation has been received by the Bank, regardless of any entry or amendment in any companies register or publication. In particular, the Bank shall have no duty to verify whether the signatures and the signing power(s) are still valid.

The Bank shall not be held responsible for the fraudulent use by a third party of the signature of the Client, whether such a signature is authentic.

Any change in connection with the signature of the Account Holder must be notified to the Bank immediately, failing to which any consequences incurred in failing to act as such will be borne by the Client.

#### **1.5.2 Power of Attorney**

The Client may be represented in dealing with the Bank, by one or several agents. The Client will provide the Bank with a list of all persons authorized to give instructions together with their specimen of signatures. In addition, the Client shall be required to provide the Bank with powers of attorney on a specific application (the "**Power of Attorney Application**") related to the Client's Account. The Bank accepts valid shareholders' resolutions and/or board resolutions or other delegation of powers in lieu of the Power of Attorney Application provided that they comply with the constitutional documents of the Client. The Bank assumes no responsibility for verifying the accuracy or the completeness of the data presented by the Client.

The Bank shall not be held liable for the consequences which may result from the forgery, imprecision or incompleteness of powers of attorney presented by the Client to the Bank.

The power of attorney shall be deposited with the Bank and shall remain effective until further written revocation or modification is submitted by the Client to the Bank.

In case of death of a Client being a Natural Person, or bankruptcy of a Client being a Legal Entity, the power of attorney shall cease to have effect following written notification of such an event to the Bank. The Bank is not required to gather such information on its own initiative.

#### **1.6 Foreign currency account**

Accounts may be opened with the Bank in any currency acceptable to the Bank. Deposit in foreign currency means deposit in a currency other than Euro. The Bank may hold assets in currencies other than Euro for the account of the Client with correspondents either in the country of the currency or elsewhere. Such assets may be subject to (i) tax, restrictions, deductions and other legal or statutory regulations in force in the country of the correspondent or in other countries and (ii) occurrences of force majeure, civil uprising or war and other events which are not under the control of the Bank.

The Client shall bear the legal and economic risks in relation to any of the events indicated in (i) and (ii) of the previous sentence.

Without prejudice to other provisions of the General Terms and Conditions, the Bank shall fulfil its obligations in the currency in which the Account is denominated. Unless authorized by the Bank in writing, the Client is not able to obtain the restitution of balance in another currency than the one in which the Account is denominated in. If the currency in question is unavailable or has suffered significant depreciation, the Bank may, but is not obliged, to repay the funds in a corresponding amount in EUR, all losses and costs, of exchange in particular, being borne by the Client.

The Bank shall be entitled to debit or credit any of the Client's accounts with the Bank when the Client does not possess an account in the currency of the transaction or when the credit balance in the currency of the transaction is insufficient. The exchange rate for foreign currency transactions is determined at the Bank's discretion, acting in good faith in line with the market and without prior notification.

When assets belonging to the Client or of which the Client is the holder, either directly or through the intermediary of the Bank, involve the Bank's correspondents in Luxembourg or abroad, the Client's rights shall also be subject to the laws, customs, rules and conventions applicable to the relevant correspondent. The Client shall be entitled to assert against the Bank only such rights as the Bank has *vis-à-vis* the correspondent.

## **1.7 Deposits**

The Bank provides current and term deposits. The major currencies that the Bank accepts are USD, EUR, GBP and RMB.

There is no amount limit for a Current Deposit Account. Current account deposits for Natural Persons and Legal Entities in EUR, USD, RMB and GBP are interest bearing, and interest is paid monthly, quarterly or half-yearly, at the rate set by the Bank on the basis of market conditions.

For any type of Term Deposit Account, the deposit amount is five thousand euros (EUR 5,000.00-) minimum (or equivalent).

Any amount below the limit is not acceptable for term deposit, unless a specific agreement between the Bank and the Client is executed in this respect.

The Bank reserves the right to apply specific internal procedures with regard to cash transactions from time to time, in accordance with applicable legal and compliance requirements.

Where a Consumer Client places cash in an EEA currency at the Bank's counters, the Bank will immediately credit the Account of the Consumer Client after counting it and if necessary after conversion (where the Consumer Client has requested it beforehand) of the funds in the currency of the Account of the Consumer Client.

Where a Client who is not a Consumer Client places cash in an EEA currency at the Bank's counters, the Bank will credit the funds to the Account of the Client with a D+1 value date, at the latest.

In case of intention to change the period or the amount of the term deposit, the Client shall notify the Bank at least two (2) working days before the date of the payment of interest.

If such notification is not provided to the Bank on maturity date, then the term deposit account shall be automatically renewed, for roll-over term deposits, without further notice, for a further period of the same duration. It being understood that the principal shall remain as initially, save for the accrued interest and the new interest rate, decided in accordance with the conditions prevailing at the time of renewal.

As regards fixed-term deposits, whether these are deposits with a fixed maturity or with any other agreed period of time by which the maturity or repayment date can be determined (any such deposit being a "term deposit"), the Bank is entitled to refuse an early repayment of any term deposit. The Bank may, in exceptional circumstances, authorize the early repayment of such term



deposits in exchange for the payment of a contractual penalty as compensation for the early termination of the term deposit.

## **1.8 Execution of client instructions and means of communications between the Client and the Bank**

### **1.8.1 General rules**

All relevant information or unique identifier required by the Bank to be able to execute a payment order has to be provided by the Client in a timely manner.

All communications and instructions from the Client to the Bank should be made in writing, by signed and dated letter and/or fax, or by SWIFT.

For the purposes of this article, the terms "instruction" or "order" shall comprise not only any orders relating to the purchase, subscription or sale of financial instruments or orders related to payment services, but also any type of instruction whatsoever or any request relating to the update of personal Client data as for example any amendments of the list of authorised signatories that can validly represent a Client which is a Legal Entity.

If the Bank departs from the rules regarding the means of communication as set out in articles 1.8.2 to 1.8.5 of the present General Terms and Conditions, it is expressly agreed that the Bank's written statements and transaction confirmations shall also suffice as autonomous proof that transactions based on orders given by the Client using one of the aforementioned means of communication have been performed in accordance with said orders, unless the Client provides evidence to the contrary.

Barring fraudulent conduct or gross negligence on the part of the Bank, the Client shall bear all risks resulting from misunderstandings, discrepancies and ambiguities, in particular those resulting from errors regarding the Client's identity and the fraudulent use of the means of communication referred to in the preceding paragraph by unauthorised parties.

### **1.8.2 Telephone orders**

The Bank has the right to carry out instructions given by telephone, except in the case of an instruction related to a payment service. The instructions for a payment service provided by phone are performed only with specific approval from the Bank.

The Client authorises the Bank to record any telephone conversations between the Client and the Bank on tape or on any other type of medium. The recordings made by the Bank evidence the instructions, information and contractual obligations of the parties; they may be used as evidence in justice with the same probatory force as written and dated original documents.

The Bank will not use the recordings for another purpose than to prove the content of the conversations and the instructions given by the Client, save if otherwise agreed by the parties, or if a legal obligation so requires. The Bank informs the Client that the recordings will be retained for a maximum period of ten years.

To avoid duplication errors, all written confirmations of orders previously given by telephone must clearly refer to said orders given by telephone.

The recording of telephone conversations implies the processing of Personal Data; in this regard reference is made to section 1.17 below.

### **1.8.3 Fax orders**

Any instruction given by fax may only be valid if the faxed copy in the Bank's possession contains the reproduction of the handwritten signature either of the Client (Natural Person) or of the person/s that act(s) as authorised signatory/ies of the Client (Legal Entity). The burden of proof regarding the existence and substance of the communication shall lie with the Client.

### **1.8.4 Contracts transmitted by fax**

It is agreed between the Client and the Bank that the Bank may consider that contracts, bearing the handwritten signature of the Client and sent by fax to the Bank for execution, are validly entered into upon execution by the Bank, and that such contracts transmitted by fax may be produced by

the Client and/or the Bank as proof in justice with the same probatory force as written and signed original documents.

#### **1.8.5 Sending instructions electronically (via e-mail)**

Unless otherwise agreed in writing, the Bank shall not perform any orders given electronically.

The Client further acknowledges that the instructions sent to the Bank via the secured e-banking system are carried out by the Bank even if they do not bear an electronic signature as defined by Luxembourg law, thus in a way that the integrity, security and authentication of the issuer of the e-mail are not assured in such circumstances. Under such conditions, the Client undertakes to bear the consequences of any damages resulting from the use of the Internet and/or the use of his e-mail system, deriving particularly from any losses, delays, errors, misunderstandings, alterations, fraudulent modifications or double sending of the e-mail.

Without prejudice to (i) the obligations of the Bank to report and address Personal Data breaches under the GDPR and any other financial sector specific regulatory incident reporting obligations of the Bank, nor to (ii) the accountability of the Bank as processor and / or controller under the GDPR, the Client recognises that the Internet is not secured and that the Bank cannot be held liable for possible defaults inherent to the Internet.

The Bank reserves the right to apply a "call-back" procedure before any fax or e-mail instruction given to the Bank is deemed conclusive and binding.

#### **1.8.6 Payment instructions**

The Client is required to inform the Bank in writing of any special case where payments are linked to the compliance with a deadline and where delays in the performance could cause a damage. However, such payment instructions must always be given sufficiently in advance, and are subject to the normal terms and conditions of performance. Failing any prior notice, the Bank shall only be liable in the case of gross negligence.

In the event the Bank cannot carry out said instructions within the required time period and only if sufficient time has been provided, its liability towards the Client shall be limited to the loss of interests due to late performance. Such interests shall be calculated at the market rate of the currency in question. Failing any prior notice, the Bank shall only be liable in case of gross negligence.

The Bank may refuse to carry out any incomplete or imprecise order or instruction given by the Client. Nevertheless, should the Bank carry-out such orders, it shall not be liable for any errors or delays resulting from the incomplete nature or from the lack of precision of such orders or instructions. In any event, the Bank shall not be liable for any refusal to carry out an order or an instruction. If the Bank considers the instructions in the above manners to be incomplete, ambiguous or lacking sufficient proof of authenticity, it reserves the right to refuse or postpone, at its own discretion, to execute such instructions until complete information or written confirmation is duly provided to the Bank. If the Client sends the Bank a written message to confirm or amend an instruction without specifying any reference to the initial instruction, the Bank shall be entitled to consider this communication as a new instruction in addition to the previous one. Any consequences thus incurred shall be borne by the Client.

The Bank applies strong customer authentication where the Client:

- (i) accesses its payment account online;
- (ii) initiates an electronic payment transaction;
- (iii) carries out any action through a remote channel which may imply a risk of payment fraud or other abuses.

In case of initiation of electronic payment transactions remotely, the Bank applies strong customer authentication that includes elements, which dynamically link the transaction to a specific amount and a specific payee.

The Bank has put in place adequate security measures to protect the confidentiality and integrity of the Client' personalised security credentials.

The Bank ensures that, when exchanging data by means of the Internet, secure encryption is applied between the communicating parties throughout the respective communication session in order to safeguard the confidentiality and the integrity of the data, using strong and widely recognised encryption techniques.

The Bank may subject the performance of all transactions with its Clients to the receipt of any information it considers necessary, or to the delivery by Clients of all documents or supporting documents, in particular those connected to the Bank's obligations with regard to the fight against money laundering and terrorism financing or any other obligation imposed by regulation. The Bank may ask the Client to produce any information that can justify the transaction from an economic perspective. In the event documents issued in a foreign country are submitted to the Bank, the latter shall not be responsible for their authenticity, validity, translation or interpretation. Indeed, the Client shall guarantee the authenticity of any documents he or his representative(s) submit/s.

The Bank is also entitled to refuse to carry out orders or instructions given by the means referred to in articles 1.8.2 to 1.8.5 of the General Terms and Conditions, if there are any doubts regarding the issuer or their authenticity.

The Client undertakes to bear the consequences of any damages resulting from the use of the means referred to in articles 1.8.2 to 1.8.5 including any issue which result from postal services, telephone operators or express mail delivery companies, and particularly from losses, delays, errors, misunderstandings, alterations or double sending.

#### **1.9 Communication by the Bank to the Client**

Correspondence between the Bank and Clients will be in the language(s) agreed between parties. The Client confirms that he/she/it fully understands the language(s) in question.

Clients agree that the following means of communication may be used by the Bank to correspond with them: meeting with their contact person, letter, fax, SWIFT, banking statements, including online banking, email, telephone.

In giving the Bank their e-mail address, Clients agree to the Bank contacting them via their e-mail address and authorize the Bank to send information and documents concerning their business dealings by e-mail and any other relevant information the bank may be required to communicate to the Client. The Client also agrees that the Bank and the persons acting on behalf of the Client may communicate by e-mail. The Client acknowledges that the integrity, authenticity and confidentiality of data exchanged by e-mail cannot be guaranteed and exonerates the Bank from any liability for any direct or indirect adverse consequences which may arise from using it.

Communications from the Bank shall be deemed to be delivered from the moment that they are dispatched to the latest address indicated for this purpose by the Client. Mail regarding Accounts with several Account Holders will be sent to a common address indicated to the Bank. If no such address has been indicated, the mail shall be forwarded to any of such Clients. In the event of the death of the Client, they shall continue to be validly addressed to the Client's latest address or to that of one of his heirs. In case of any change of address, the Client must duly notify the Bank in written form. Otherwise, the Client shall be held liable for any consequences incurred.

The date shown on the copy or on the mailing record in the possession of the Bank is presumed to be the date of dispatch. Mail in custody with the Bank is deemed delivered as of the date it bears. Copies of correspondence shall be considered proof of dispatch.

If correspondence is returned to the Bank with an indication that the addressee is unknown at the address indicated or no longer lives there, the Bank shall be entitled to hold this correspondence in its files as well as all subsequent correspondence intended for the Client at the same address, at the liability of the Client.

The Bank reserves the right to send any important information concerning the Client's Accounts directly to the address instructed by the Client as well as the correspondence kept for collection by

the Client, whenever it deems such action appropriate. The Bank shall not be held liable as a result of any prejudicial consequences of such dispatch.

The Bank shall not be held liable for the losses that may result during the transmission of any correspondence or documents, nor does it assume liability for any consequences resulting from the non-withdrawal of the correspondence retained at the Bank.

The Bank shall not be held liable for losses resulting from the Client's failure to receive communications from the Bank. Nevertheless, the Bank shall inform the Client of such correspondence. The Client undertakes to verify his/her/its mail on a regular basis.

In case of a requirement to dispatch a correspondence, the Client may indicate his/her/its preference in the Account-opening documents with certification of one authorized Bank staff, or later on by any written notice sent to the Bank. Upon the termination of existing business relationship, the above correspondence arrangements shall then become invalid.

With regard to the dispatch of Account statements and the other related documents of a particular transaction, in case of non-receipt within a reasonable period for postal delivery, the Client should duly notify the Bank to this effect.

In the case of mail being retained by the Bank, the Bank may nevertheless contact the Client by any means whatsoever when it deems such action to be appropriate and may in particular send to this effect any type of mail to the last address communicated by the Client.

In the case where the Client instructs the Bank to hold all bank correspondence related to his Account or Accounts, such correspondence will be held on the following terms and conditions:

This instruction includes no waiver; it is valid until the Client cancels the instructions.

The Client unreservedly acknowledges that the Bank is entitled to consider that all letters and communications have been duly delivered to the Client's address, as dated, on the sole basis of the fact that the Bank is holding such correspondence on the intention of the Client. It follows that the Client shall assume full liability for any consequences whatsoever that may arise from the fact that these letters, communications and advices directly or indirectly related to the Account or Accounts concerned are not sent to his address. He renounces the right to bring a claim against the Bank in respect of the contents of such correspondence of which he could not have been aware until opening his mail

Dispatch of any communication will be recorded, including the date of dispatch, through the provision by the Bank of a printed or a computer-stored copy or other mailing record of such communication. The transmission report (in case of facsimile) shall constitute conclusive evidence of the dispatch of any communication by the Bank and the receipt thereof by the Client.

At the Client's request, the Bank may keep any correspondence up to one year, or send it to the Client on fixed dates. All the expenses incurred in this respect will be borne by the Client's Account. At the expiration of such one-year deadline, the Bank shall have the right to destroy any unclaimed documents.

The Client is informed and accepts that the Bank may record conversations with the Client for the purpose of providing a proof for commercial transaction or communication in the event of dispute. The absence of recording or keeping of the recordings may not be used against the Bank.

The Bank will retain recordings of telephone communications in accordance with applicable laws on limitation.

The recording of telephone conversations implies the processing of Personal Data; in this regard reference is made to section 1.17 below.

#### **1.10 Dormant accounts and inactive accounts**

The Bank will address inactive accounts and / or dormant accounts in accordance with the principles set forth in the CSSF Circular 15/631 of 28 December 2015 on dormant or inactive accounts, as well as in accordance with its internal procedures in relation to inactive and dormant accounts.

An account management fee will be charged accordingly annually.

#### **1.11 Evidence**

Without contrary evidence, the books and documents retained at the Bank shall be considered as the proof of the execution of instructions.

The Bank is entitled to keep the transaction records (including Personal Data and records of Personal Data processing) by means of computerized data. The Client may disprove such computerized recording only by submitting an original document of the same nature in writing.

In the case of transactions executed on the basis of telephone instructions from the Client, the Bank reserves the right to record such telephone instructions, in accordance with the GDPR.

#### **1.12 Rectification of errors**

The Client shall be obliged to check the accuracy, correctness and completeness of the Account balance within one month after the date on which the Account balance is actually changed. Any delay in such a check shall be deemed to be a recognition of recording made by the Bank.

The Client shall be obliged to inform the Bank of any errors in the documents and Account statements delivered by the Bank. Any complaint relating to the Account statements shall be filed to the usual contact of the Client or to the compliance function of the Bank within thirty (30) days following the dispatch of documents, failing to do so with such documents, the Account shall be deemed to be approved unless significant error exists therein.

The Bank reserves the right, in all cases and without prior notice, to rectify any material errors it may have made by a new entry in its books with a proper value date. If after such a re-entry into the books, the account shows a debit balance, overdraft interest will be automatically due, without formal notice, as from the effective date of the overdraft.

#### **1.13 Charges and commissions**

Before any transactions, the Client should be provided by the Bank with the related *Standards of Charges and Commission*, a copy of which is available on the Bank's website ([www.bankofchina.com/lu](http://www.bankofchina.com/lu)).

The Client authorizes the Bank to debit any charges and commissions from the Client's Account, indicated in the Account statements rather than to invoice the amount charged and debited. They are payable at the end of each period and are due for the whole period, except in the case of written agreement to the contrary.

The Bank reserves the right to amend at any time the *Standards of Charges and Commissions* according to market conditions and market practices, provided that a written prior notice is given to the Client before a transaction with an amended charge or commission shall occur. Any details on the nature and the amount on these charges and commissions shall be requested to the Bank at any time. The Client has the right not to enter into the relevant transaction if he does not agree with such amendments.

The Client shall bear the costs for research, mail and telecommunication, fees, taxes and duties or payment on Account or in the event of any transactions made with the Bank.

#### 1.14 Complaints

The following outlines the complaint handling procedure of the Bank.

The Client may address a complaint in writing (preferable) by post, email or fax, or by telephone to the attention of the below contact persons. The Client's Personal Data will be kept and processed in accordance with applicable data protection laws.

The procedure to address a complaint should be as follows:

First: Contact the Compliance & Regulatory Department and/or Client's contact person in the Bank.  
Bank of China (Europe) S.A.  
55, Boulevard Royal  
L-2449 Luxembourg  
Tel:(352) 268 688 Fax: (352) 268 688 504  
Email: [legalcompliance.lu@bankofchina.com](mailto:legalcompliance.lu@bankofchina.com)

Complaints must clearly indicate the contact details and the account number (if relevant) of the Client and include a brief description of the factual situation and reason for the complaint.

The Bank will send a reply within 10 bank working days from the receipt of the complaint. If the answer to the complaint cannot be given within 10 bank working days, the Bank will send a holding reply specifying the deadline by which the Client will receive the reply which will not exceed 30 bank working days.

Second: Contact the Authorized Manager in charge of complaint handling.

If the Client is not satisfied with the handling of his complaint, he may contact the authorized manager in charge of the handling of complaints within the Bank (the "Authorized Manager"), in writing addressed to "Authorized Manager".

To help the Bank to ensure the best possible follow-up, the Client shall indicate the reference information in the letter of response that he received from the Bank.

Third: Contact the Commission de Surveillance du Secteur Financier (CSSF).

If, after having contacted the Authorized Manager in charge of complaint handling, the Client does not receive a response within the given deadline or the response is not satisfactory to him, an out-of-court complaint resolution procedure in front of the CSSF is provided for in accordance with the provision of CSSF Regulation N° 16-07 relating to out-of-court complaint resolution. The Client must file his/her request with CSSF within one year after the complaint is filed with the Bank. The Client may contact the CSSF by post:

Commission de Surveillance du Secteur Financier  
Département juridique - CC  
283 route d'Arlon  
L-2991 Luxembourg  
by fax: (+352) 26 25 1-2601  
by email: [reclamation@cssf.lu](mailto:reclamation@cssf.lu)

If the complaint is linked to the processing or collection of Personal Data, or in order to exercise or enquire about your rights under the applicable data protection laws, including the GDPR, and in connection with your Personal Data, you must instead follow the procedure as set out in Paragraph 1.17.9 below.

#### 1.15 Banking secrecy

The Client's personal and transaction information shall be strictly kept secret by the Bank in accordance with customs and practice and in compliance with banking secrecy regulated by the Luxembourg law, unless the Bank has obtained the Client's prior specific instruction to disclose personal and/or transactional information. Such instruction shall being granted (i) on specific

information, (ii) to a determined group of addressees, (iii) for a certain period, and (iv) in the final client's interest.

Nevertheless, in specific cases, provided for by laws in Luxembourg, the Bank may have to disclose information to judicial (e.g. where ordered by a competent court) or supervisory authorities.

The Client is duly informed that the Bank, as a financial institution, might be required to share any information such as address, identification details, account number, transaction carried and more generally any other Client information with the Luxembourg competent institutions and/or tax authorities under the laws and regulations in force notably but not restricted to inter-governmental agreements entered into or as implemented by Luxembourg from time to time for improving and promoting the international tax transparency and the fight against tax evasion, as well as the EU regulations on administrative cooperation in the field of taxation and on mutual assistance for the recovery of claims relating to taxes, duties and other measures or the European directive on taxation of savings income.

The Client is informed and gives his express consent, to the extent that such consent is required for professional secrecy purposes, for the transfer and storage of his information to third parties (including any financial institutions or correspondent bank) in the European Union (the "EU") or outside it, including the United States of America, in view of executing domestic or international payment instructions (such as SWIFT) or executing any transaction order issued by the Client and which could require the intervention of a third party. The Client is informed that the authorities of such third countries, notably the United States of America, may request access to information stored in processing centres as part of their fight against terrorism.

The Client is informed and gives his express consent for the transfer and storage of his information to third parties which might be involved in the execution of any transaction order he may issue and which may need the provision of such information in order to comply with any legal, regulatory or policy requirements applicable to them and in particular requirements which may result of the application of Anti Money Laundering and/or Know Your Customer laws, regulations or policies.

## **1.16 Collateral**

### **1.16.1 Unicity of account**

All accounts of the Client, whether denominated in one currency or in different currencies, whether for a fixed-term or callable, and whether they bear different rates of interest, shall be deemed to constitute the elements of a single and indivisible current account (the "**Single Current Account**") in which the credit or debit position in respect of the Bank shall be determined only after conversion of any foreign currency balances into a currency that is legal tender in Luxembourg at the exchange rate applying on the day the accounts are closed.

Any credit or debit transaction between the Client and the Bank passes through the Single Current Account which transforms those transactions into more credit and debit items in this Single Current Account and generate at any moment, and in particular at the closing of the Single Current Account, a due credit or debit balance.

The said debit balance is immediately payable together with debit interests and charges.

The debit balance of the Single Current Account shall be guaranteed, after it has been drawn up and above-mentioned conversions carried out, by all the assets of the Client, collateral, guarantees and security interests ("*sûretés*") linked to any of the various sub-accounts.

### **1.16.2 Set-off and interrelationship of relations**

All transactions the Client carries out with the Bank are deemed to be interrelated. Notwithstanding any provision to the contrary, it is agreed that the Bank shall be entitled at any time, even after bankruptcy proceedings of the Client, and without formal notice or prior authorization to offset the credit balance, whether payable or not, in one sub-account against the debit balance, whether payable or not, in another sub-account, and this up to the amount required to offset the overdraft in

the latter, irrespective of the nature of the sub-accounts, and to carry out currency conversions to this effect if necessary. The Bank shall determine at its own discretion which of its claims it shall set-off.

Unless otherwise agreed, the Client waives the right to invoke art. 1253 of the Luxembourg Civil code and agrees that the Bank may, at its own discretion, apply any sums received from the Client to the debt or proportion of the debt it is intended to reduce.

#### **1.16.3 Non execution exception – right of retention**

The Bank is entitled not to carry out its obligations should the Client fail to meet any obligation incumbent upon him.

The Bank is entitled to refuse the execution of standing orders (for example, conversion of foreign currencies, payment orders, periodical transfers) if the Client's account does not have sufficient disposable funds and no credit limit is available.

All funds and securities, regardless of their type, held by the Bank on behalf of the Client may be retained by the Bank in the event of the Client's non-performance or late performance of his obligations. Should the Client not pay at maturity a debt to the Bank, or if it becomes highly likely, in the reasonable opinion of the Bank, that he will not do so, all debts of any nature, including term obligations that the Client has towards the Bank, will become immediately due. The Bank is entitled (but not obliged to) contact the Client in order to check the reason for the non payment. The Bank is furthermore entitled to set off those debts without formal notice and in the order of priority it considers most suitable.

The Account Holder, and, in case of more than one Account Holder, all Account Holders agree with the fact that all data necessary for the execution of the instructed transaction may be processed outside of the Bank's payment and settlement system(s) and outside of Luxembourg and the EU. The companies involved by the Bank to execute instructions include the SWIFT.

#### **1.16.4 Right of pledge**

As security for all his present and future obligations and liabilities towards the Bank (whether in principal, interest, fees or costs), the Client (for the purpose of this clause, such term shall refer to the Account Holder or, in the case of a Joint Account, the Account Holders of such Joint Account) hereby pledges in favor of the Bank all the assets which the Bank holds for the Client (whether in custody or not), including, but not limited to (i) all securities and other financial instruments whatsoever deposited now or in the future to the Bank and/or credited to an account opened with the Bank as well as (ii) all present and future cash claims resulting from the balance of the Client's account(s) with the Bank, in whatever currency.

Any security or financial instrument pledged pursuant to this Article 1.16 will be designated in the books of the Bank as being pledged as first ranking security in the Bank's favor, without there being however a need to mention such pledge on the account statements produced by the Bank and made available to the Client.

If the Client fails to honor any claim whatsoever towards the Bank when the latter falls due, the Bank shall be authorized, without prior notice to the Client, to enforce the pledge created hereunder and to appropriate or sell the pledged assets in the most favorable manner permitted by the law. In particular the Bank shall be authorized to appropriate or sell any securities pledged in its favor in the most favorable manner provided for by law and to offset cash claims of the Client against the Bank against the claims of the Bank against the Client.

Without prejudice to any specific collateral the Bank may have obtained and that resulting from the foregoing provisions, the Bank is entitled to call at any time for the deposit of replacement or additional collateral in order to cover all the risks it runs owing to transactions entered into with the Client, whether such transactions have been completed or are forward, unconditional or subject to a condition precedent or subsequent.



The Client waives his rights under Article 1253 of the Luxembourg Civil Code and agrees that the Bank may apply any sums received from the Client to the debt or part of the debt that it wishes to solve.

### 1.17 Data processing

In accordance with applicable data protection laws, and in particular the Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "GDPR"), the Bank in its capacity as a data controller in each of the cases listed in this article 1.17 processes Personal Data of the Client, and, in case the Client is a Legal Entity, its proxies or representatives and ultimate beneficial owners (all together the "Data Subjects"), as the case may be.

The Client shall inform the Bank as soon as possible of any changes in Personal Data collected.

#### 1.17.1 Scope of Personal Data collected and processed by the Bank and sources of Personal Data

The Bank will collect and process the following categories of personal data pertaining to the Client and any other Data Subjects (together the "Personal Data"):

- personal details, e.g. names, previous names, gender, date and place of birth, family details such as details about your spouse and/or children;
- contact details, e.g. address, email address, landline and mobile numbers;
- information concerning your identity e.g. photo ID, passport information, National Insurance number or social security number;
- National ID card and nationality;
- tax domicile and other tax-related documents and information;
- financial information, including payment and transaction records and information relating to your assets (including fixed properties), financial statements, liabilities, taxes, revenues, earnings and investments (including your investment objectives); salary details, information relating to complaints and disputes;
- information we use to identify and authenticate the Data Subjects, e.g. their signature;
- details of communication with you, including records of phone calls, emails and messages through other social communication platforms;
- information in relation to online behaviour and preferences data e.g IP address of your mobile device or computer.
- Records of any advice that we have given to you and the products and services you use;
- Professional information about you, your investment knowledge, experience and objectives;
- investigations data, e.g. due diligence checks, sanctions and anti-money laundering checks, external intelligence reports, content and metadata related to relevant exchanges of information between and among individuals and/or organisations, including emails, voicemail, live chat, etc;
- information that we need to support our regulatory obligations, e.g. information about transaction details, detection of any suspicious and unusual activity and information about parties connected to you or these activities.

The Bank mostly obtains Personal Data directly from the Client. The Bank may however obtain the Personal Data from a different source, such as Personal Data that are generated in the context of the Bank's services or products that you use, or Personal Data that stem from publicly available sources.

**1.17.2 Personal Data processing by the Bank for the purpose of the performance of these General Terms and Conditions (article 6(1)(b) of the GDPR)**

The Bank will process Personal Data for the purpose of performing its services and obligations under these Terms and Conditions, including but not limited to managing customer relationship, managing Client's accounts, providing and proving related products and services, or executing transactions.

**1.17.3 Personal Data processing by the Bank for the purpose of compliance with its legal obligations (article 6(1)(c) of the GDPR)**

The Bank will process Personal Data because such collection is necessary for the purpose of complying with the Bank's obligations under AML and Know your Customer laws and regulations, and for the purpose of any other mandatory law binding on the Bank.

**1.17.4 Personal Data processing by the Bank for the Bank's legitimate interest (article 6(1)(f) of the GDPR)**

The Bank will process Personal Data for the Bank's marketing purposes, including developing commercial offers, sending unsolicited communications regarding similar services and products of the Bank, where the Bank considers marketing purposes to be a legitimate interest as confirmed by Recital (47) of the GDPR. We may also process your data to prevent and combat fraud and to maintain the security of your transactions and of the operations made by the Bank. Furthermore, the Bank processes Personal Data in order to defend its legal position and interests, including in legal proceedings.

**1.17.5 Personal Data processing by the Bank on the basis of consent (article 6(1)(a) of the GDPR)**

To the extent the Bank would intend to process Personal Data on the lawful basis of consent, the Bank shall not carry out such processing without obtaining such prior express consent in compliance with the GDPR.

**1.17.6 Transfer of Personal Data by the Bank within the European Union / European Economic Area**

To the extent allowed by applicable law, in certain cases the Bank may need to transfer Personal Data to Bank's subcontractors, companies belonging to the Bank of China group, outside services providers or other companies, within the European Union / European Economic Area, the involvement of which is necessary to provide the services of the Bank. Furthermore, the Bank may also need to share Personal Data with competent authorities and governmental institutions.

Such Personal Data will then be subject to processing by the concerned recipient.

Also, Personal Data included in money transfers is processed by the Bank and other specialised companies, such as SWIFT (Society for Worldwide Interbank Financial Telecommunication). Such processing may be operated through centers located in other European Union countries such as the country in which you ask a money transfer. The legal basis for such processing will be that the Bank needs to perform this processing to be able to perform its obligations under these GTCs (article 6(1)(b) of the GDPR).

If a recipient processes Personal Data as a "processor" on behalf of the Bank, then the Bank will enter into a data processing agreement with the recipient compliant with article 28 of the GDPR.

**1.17.7 Transfer of Personal Data by the Bank to third countries, including the United States and People's Republic of China (PRC)**

Personal Data included in money transfers is processed by the Bank and other specialised companies, such as SWIFT (Society for Worldwide Interbank Financial Telecommunication). Depending on the characteristics and the destination of the payments, it may become necessary that such processing must be operated through centers located in the United States of America or other third non-EEA countries, according to their local legislation, whereby these countries do not

benefit from a decision of the European Commission establishing an adequate level of data protection. As a result, the United States of America authorities or authorities from other third countries can for instance request access to Personal Data held in such operating centers for the purposes of fighting terrorism and more generally might (request) access to Personal Data for surveillance purposes. The Client understands and accepts such risk that all data elements, including Personal Data, necessary for the correct completion of the transaction may be processed in the United States of America or another third country when instructing the Bank to execute a payment order.

If a recipient processes Personal Data as a "processor" on behalf of the Bank, then the Bank will enter into a data processing agreement with the recipient compliant with article 28 of the GDPR.

Personal Data will be processed by the Bank and will be transferred to the Bank's head office in People's Republic of China (PRC), for the purpose of internal management, statistics, accounting and reporting, to allow the Bank to provide its service and perform its contractual obligations towards you.

These transfers of Personal Data to the Bank's head office in People's Republic of China (PRC) :

- will be made while ensuring that your rights and effective legal remedies remain fully enforceable (article 46 (1) of the GDPR);
- will rely on appropriate safeguards compliant with article 46(2) GDPR, including the European Union Standard Contractual Clause entered into with the Bank's head office and our Service Level Agreement, as the case may be complemented by supplementary measures as required under the GDPR.

Such transfer of Personal Data to PRC will be made by the Bank on the basis of agreement(s) with the recipient compliant with article 28 of the GDPR.

In addition, Personal Data may be transferred, for processing and storage, to other recipients in countries outside the European Union and /or the European Economic Area (EEA), including to recipients in countries that do not benefit from a decision by the European Commission establishing an adequate level of protection, but always in conformity with Chapter V of the GDPR. This means that such third country transfers will take place if:

- an adequacy decision from the European Commission applies to the recipient, meaning that the country of destination offers an adequate level of data protection;
- appropriate safeguards have been put in place, such as binding corporate rules or a data transfer agreement on the basis of EU standard contractual clauses; if needed complemented by supplementary measures ; or
- a specific derogation applies on the basis of applicable data protection laws.

If your Personal Data are transferred pursuant to appropriate safeguards, you can request a copy as part of your right of access. Where appropriate, the same applies to specific derogations.

Such third country recipients include the Bank's group companies, correspondent banks or financial institutions, outside service providers or other companies, competent authorities and governmental institutions

#### **1.17.8 Record keeping and Personal Data storage by the Bank**

The Bank will keep record of the details about its processing of Personal Data in the conditions of article 30 of the GDPR.

Personal Data will be stored by the Bank for the retention periods mentioned in article 1.19 (Record Keeping) of the present General Terms and Conditions.

#### **1.17.9 Data Subjects' rights under the GDPR**

The Data Subjects have the rights, under the provisions and conditions set out in the GDPR, to request from the Bank, in its capacity as controller, access to and rectification or erasure of their Personal Data or restriction of processing or to object to processing as well as the right to portability of their Personal Data.

To the extent that the processing of Personal Data is based on the consent of the Data Subject, the Data Subject has the right to withdraw such consent at any time, without affecting the lawfulness of processing prior to the withdrawal.

To make use of these rights, the Data Subjects may contact the Bank by electronic mail at the address [service.lu@bankofchina.com](mailto:service.lu@bankofchina.com), or by mail at the following address: Bank of China (Europe) S.A., 55 Boulevard Royal, L-2448 Luxembourg.

For any question or request, you may also contact our data protection officer at Bank of China (Europe) S.A., 55 Boulevard Royal, L-2448 Luxembourg, or email address: [service.lu@bankofchina.com](mailto:service.lu@bankofchina.com).

The Data Subjects have the right under the GDPR and Luxembourg laws, to lodge complaints with the Luxembourg *Commission Nationale pour la Protection des Données* :

Commission Nationale pour la Protection des Données

Service des réclamations

15, Boulevard du Jazz

L-4370 Belvaux

Tel.: (+352) 26 10 60-1

By filing the following complaint form: <https://cnpd.public.lu/en/particuliers/faire-valoir/formulaire-plainte.html>

#### **1.17.10 Refusal of provision of Personal Data by Client**

In the case of refusal by the Client to provide the Personal Data which are asked by the Bank as described herein and to the extent that such Personal Data are necessary for the provision of the Bank's services as described herein or for compliance by the Bank with its legal obligations, the Bank may reject the entering into business relations with him/her/it or may decide to suspend or terminate the existing relationship, without prejudice to the pre-existing relation and rights of the Client.

#### **1.17.11 Third parties**

Outside the situations described above, the Bank shall not disclose the collected Personal Data to third parties, except on the express instructions of the Client or if legally required to do so.

The Client – Legal Entity - shall make all necessary actions to receive the consents necessary from its representatives, agents and any other contacts, the processing of whose Personal Data is concerned as well as to provide them with the above information regarding processing of their Personal Data, including informing them about their rights (right to access and rectify data, etc.).

#### **1.18 Taxes and customs**

##### **1.18.1 Withholding taxes**

The Bank will automatically with no authorization being required from the Client, deduct all taxes that the Bank is required to withhold by Luxembourg or foreign laws or in execution of these General Terms and Conditions. The Client undertakes to provide the Bank within a reasonable period of time or within the deadline as indicated by the Bank in its request to the Client with any

written confirmation and other document that the Bank may deem necessary in this respect. An incomplete or incorrect or delayed answer from the Client can lead to penalties and/or increased withholding tax that will be borne by the Client.

Except as otherwise provided by law, the Bank will not be responsible for the failure to execute or the failure to correctly execute any withholding taxes.

#### **1.18.2 Other taxes**

The Client will be responsible for fulfilling his/her/its tax obligations according to the laws applicable to his/her/its (personal) situation and commits towards the Bank to fulfill at any time his/her/its civil, criminal and administrative duties as to avoid hazarding the Bank's reputation.

The Client will bear the taxes applicable on the income and, where applicable, gross proceeds received in the accounts maintained on his behalf with the Bank.

In case any transfer taxes or registration duties or financial taxes or any type of duties is applicable to transactions carried out by the Client, the latter will be solely responsible for their settlement unless required by the law, but it will then be debited from the Client's account(s).

The Client acknowledges that any sum potentially borne by the Bank in the frame of the execution of the Client's transaction and / or otherwise borne on behalf of the Client, will be automatically debited from his account (or any account if the Client holds more than one) without the Client's prior consent. In case the account(s) is (are) already closed, the Client will still be obliged to reimburse the said sums and the Bank can exercise its right to recover such sums within the limits and conditions allowed by the law.

The Client undertakes towards the Bank to comply with his/her/its tax obligations in relation with any deposit or assets deposited and/or held with the Bank, and/or managed by the Bank. The absence of fulfillment of certain tax obligations may trigger financial penalties and criminal sanctions all to be borne by the Client.

The Bank shall not be held liable for any adverse consequences for the Client resulting from (i) failure by the Client to declare or fulfill his/her/its tax / legal obligations and/or (ii) the communication by the Bank of information related to the Client to the competent institutions/tax authorities in fulfillment of the laws and regulations in force.

The Client acknowledges and agrees that any tax reimbursement or credit which the Bank might have to undertake in favor of the Client pursuant to Luxembourg or foreign law, will be settled in Euro only to an account denominated in Euro, notwithstanding the provisions of Article 1.6 (Foreign currency accounts) of these General Terms and Conditions and irrespective of whether the tax has been withheld on or paid by an account not denominated in Euro.

#### **1.18.3 FATCA**

The Client declares, accepts and undertakes to inform the Bank whether he is or when he becomes a U.S. taxpayer within the U.S. tax rules, more particularly under the U.S. Internal Revenue Code, the "Foreign Account Tax Compliance Act" (**FATCA**) and the inter-governmental agreement as entered into by the United States of America and the Grand Duchy of Luxembourg on 28 March 2014 (the "**IGA**") and implemented in Luxembourg by a law dated 1 July 2015.

In the event certain indications lead the Bank to presume that the Client could be a U.S. taxpayer, the Client may be required to provide the Bank with (i) information to enable the latter to determine his/her/its link with the United States and his/her/its status under FATCA and the IGA and (ii) the relevant documentation evidencing his/her/its status.

The Client is informed that in accordance with the IGA the Bank may have to (i) report to the competent tax authorities certain information related to the Client and his accounts and assets and / or income received for the final reporting to the US tax authorities (the "**IRS**"); or (ii) where and if applicable withhold taxes.

The Client has a right to access and rectify Personal Data provided to the tax authorities. These rights may be exercised as described under 1.17 above.

The Client also undertakes to provide the Bank with all information that the Bank may request from the Client in order to fulfill the above described reporting obligation.

The Client is aware that the failure in providing the Bank with the requested information within the relevant time period, could trigger sanctions and penalties.

The Bank cannot under any circumstances be liable for any losses or adverse consequences resulting from a failure to make a declaration, from a false or erroneous declaration by the Client of his/her/its US taxpayer status and/or any reporting of relevant data related to the Client and his account(s).

The Client hereby declares, accepts and undertakes to indemnify the Bank from any losses that might arise due to such causes.

#### **1.18.4 Common reporting standard**

The Common Reporting Standard ("CRS") has been implemented at European Union level through the directive on administrative cooperation (Directive 2014/107/UE), known as ("DAC 2"). Relationship with non-EU countries are ruled by mean of multilateral agreements. Luxembourg, as a European Union member state, has implemented the "DAC 2" and CRS in his national legislation by the Law of 18 December 2015 (the "CRS Law").

The CRS requires Luxembourg financial institutions to collect and report to the Luxembourg tax authorities information on financial accounts held, directly or indirectly, by account holders that are tax residents in a CRS jurisdiction. The Luxembourg tax authorities will in turn communicate this information to the tax authorities of the account holder's countries of tax residence(s).

For the purpose of identifying CRS-jurisdiction residents, the Bank is entitled to obtain a self-certification from their accounts holders. Among others, self-certifications information must include the country/(ies) of tax residence and the tax identification number(s).

The Client is aware of this obligation of the Bank and agrees by entering into these General Terms and Conditions to provide to the Bank with a signed and dated self-certification in order to certify his/her/its tax status and provide the information required by the CRS Law. The Client acknowledges that the information subject to be exchanged may include (but not only) name and address, jurisdiction of tax residence, tax identification number, place and date of birth or incorporation, account number, account balances, gross proceeds generated by the assets held in the account and payments made from the account.

The Client acknowledges that unresolved situations may give rise to undocumented account and/or closed accounts reporting to the tax authorities.

The Bank cannot under any circumstances be liable for any losses or adverse consequences resulting from a failure to make a declaration, from a false or erroneous declaration by the Client and/or any reporting of relevant data related to the Client and his account(s).

The Client hereby declares, accepts and undertakes to indemnify the Bank from any losses that might arise due to such causes. The provisions of Article 1.18.2 are applicable.

#### **1.18.5 Customs declaration**

The Client is informed and aware of the fact that a declaration must be submitted to the Luxembourg customs and excise authorities in the event that cash amounts greater than or equal to ten thousand Euros (EUR 10,000.00) or the equivalent (including bearer instruments) leave the territory of Luxembourg, in accordance with the law of 27 October 2010 on organizing the controls of physical transport of cash entering, transiting through or leaving the Grand Duchy of Luxembourg, or in the event that these sums enter or leave the European Union, in accordance with Regulation (EC) No. 1889/2005 of 26 October 2005 on controls of cash entering or leaving the European Union.

### 1.19 Record Keeping

The Bank must retain Clients' identity and transaction documents, and may use them as evidence in any money laundering or terrorist financing investigation. Identity documents and transaction documents will be retained for at least 5 years from the date of termination of the business relationship, or from the date of execution of the transaction respectively to comply with Bank's legal obligations regarding fight against terrorism and money laundering. The Bank may also retain these documents for a longer period if required by law, notably when appropriate the Bank will retain transaction documents for 10 years to respect its obligations under the Luxembourg Commercial Code.

Client identification documents, including but not limited to:

- Client signed and dated account application form, specifying in detail his / her / its full name, date of birth/incorporation, address, occupation, account number, official identity documents with relevant dates;- If applicable, copy of official identity document needs to be certified by competent authority;
- Documents proving the identity of the beneficial owner(s).

Transaction documents, including but not limited to:

- The transaction description (nature of the transaction, the transaction date, transaction currency, the transaction amount, account type and quantity);
- Contact person(s);
- Contract if applicable.

These documents must correspond to individual transactions. If after review of the transaction and if the transaction is suspected of association with money laundering and terrorist financing, or the relevant financial service/professional is suspected of association with money laundering or terrorist financing, these data/documents must also be retained.

In addition, the Bank will keep record of the details of its processing of Personal Data in furtherance of the requirements of article 30 of the GDPR.

### 1.20 Liability

With care and due diligence, the Bank shall act honestly, fairly and promptly in conducting its business activities in the best interests of its Client.

With regard to the Client's questions or inquiries, the Bank will do its utmost to give appropriate responses. In case the Bank is not in a position to give the reply, reasonable explanations shall be duly provided.

The Bank may offer products and services whose conditions are dependent on the regulations and policies of Mainland China regulatory and political bodies. The Bank may not undertake and accepts no responsibility or liability as to the continuity, sustainability or possibility that the services/products will remain feasible, liquid or existent in time. Whenever new policies or regulatory issues arise from Mainland China that impact those services or products that the Bank is offering or offered, the Bank has to comply and adapt to these new rules.

To the extent permitted by applicable laws, the Bank shall, in general, be liable only for gross negligence (*faute lourde*), or willful misconduct (*faute intentionnelle*) and fraud (not being external fraud). It shall not be liable for any damage that may be caused by or in connection with the following:

- (1) The legal incapacity of the Client, his/her/its agents, heirs, legates and beneficiaries;

- (2) Non-receipt of notification of the death of the Natural Person in due course; errors in the estate devolution of the deceased Client; inaccurate statements by the attorney of a deceased Client as to existence of the power of attorney and inaccurate indications of the identities of the heirs;
- (3) The forgery or invalidity of authorization held by Client, the agent or representative of the legal entity or company in bankruptcy, mandate, liquidation or other forms of such legal mandates or liquidations.
- (4) Lack of authenticity of signatures on orders given to the Bank; Failure by the Client to replace the past due signature specimens or untrue signature on the Client order;
- (5) Errors and delays in the placement of orders and delay in the execution of an order unless the Client has specifically informed the Bank of the deadline by which the order must be executed, in which case the Bank's liability shall be limited to the loss in interest that may result from the delay;
- (6) Failure by the Client of lodging disagreement or delay in doing so;
- (7) Client's misconduct in legal proceedings, in the case of suspicious transactions that may be connected to money laundering or financing of terrorism, the money shall be blocked, while the Bank has the duty to inform the competent authority, as stipulated in the law of 12 December 2004 on the fight against money laundering and terrorist financing, as amended from time to time;
- (8) Failure to effect, or to effect correctly any applicable tax deductions;
- (9) Risks arising in the third party services which are used by the Bank because the Client requested it specifically. The liability of the Bank is also exempted in the case that the third party has been specifically requested, and its appointment suggested and designated by the Client;
- (10) The transmission of information in accordance with banking customs and practice and in compliance with banking secrecy;
- (11) The non-receipt by the Client of any messages such as facsimile or letters from the Bank due to any errors arising in the transmission;
- (12) Any force majeure, or any political, economic or social event that may interfere with the services of the Bank;
- (13) The provision of false, inaccurate, out-of-date or incomplete information;
- (14) External fraud;
- (15) The transmissions of price, news opinions or other information given by the Bank as a convenience to the Client shall not constitute investment advice or any kind of recommendations. The Bank shall not bear liabilities for any losses, costs, liabilities, or expenses that may arise directly or indirectly from the use of such information.

#### **1.21 Termination**

In the case of zero balance of an Account, the Bank is, with a written prior notice of 60 (sixty) days, entitled to close the Account for Consumer Clients and with a prior notice of 30 (thirty) days for non-Consumer Clients.

In one of the following cases, the Bank may terminate the business relationship with the Client with a prior notice of 60 (sixty) days in case of a Consumer Client only:

- solvency of the Consumer Client is compromised;
- requested guarantees have not been obtained;
- guarantees obtained are insufficient;



- the Bank may incur liability as a result of the continuation of its relationships with the Consumer Client;
- it appears that the Consumer Client's operations may be contrary to public order or morality;
- for any other reason at the discretion of the Bank.

The Client may terminate the business relationship at any time without stating a reason with a written prior notice of 30 (thirty) days. Independently of a formal notice of termination, the Bank may with a prior written notice of 30 (thirty) days, require the reimbursement of credits that it has granted, terminate collateral granted in favor of the Client or cancel credit lines whenever it may reasonably assume that the financial situation of the Client or a person financially linked to or affiliated with him/her/it may jeopardize the prompt and complete performance of the Client's obligations. The Bank may at any time request new or supplementary collateral from the Client to cover the Client's obligations to the Bank. If the Client fails to comply with such request within the prescribed period, therein, the Bank may consider the business relationship with the Client as being terminated.

In case that the Bank has to liquidate a Term Deposit or any other term transaction prior to maturity date, the Bank will do so and the Client may not hold the Bank liable for loss of opportunity resulting from early termination.

Termination of the business relationship is free of charge for the Client but the Bank may charge the Client in the event such termination occurs within 6 months as from the starting date of the business relationship between the Bank and the Client.

#### **1.22 Protection of financial instruments and funds**

The Bank is member of the "*Fonds de Garantie des Dépôts Luxembourg*" ("**FGDL**"), which ensures the protection of Client's deposits (up to certain amounts) in case of the Bank's default.

A document describing the main features of this protection system and the other steps taken by us to ensure the protection of Client's deposits is available on the website [www.fgdl.lu](http://www.fgdl.lu) and is available from us upon request.

Deposits will be guaranteed within the limits and under the conditions set out in the Luxembourg law of 18 December 2015, as amended (*loi modifiée du 18 décembre 2015 relative à la défaillance des établissements de crédit et de certaines entreprises d'investissement*) by the FGDL under the supervision of the Conseil de protection des déposants et des investisseurs ("**CPDI**"). Depositors' debts due to us will be taken into consideration for the calculation of the reimbursement they are entitled to.

The financial instruments and money in connection with investment activities of Clients will be compensated within the limits and under the conditions set out in the Luxembourg law of 18 December 2015, as amended (*loi modifiée du 18 décembre 2015 relative à la défaillance des établissements de crédit et de certaines entreprises d'investissement*) by the *Système d'indemnisation des investisseurs au Luxembourg* ("**SIIL**") under the supervision of the CPDI.

#### **1.23 Law and jurisdiction**

The *General Terms and Conditions* are governed by, and shall be construed in accordance with, Luxembourg law.

Each party hereby submits to the exclusive jurisdiction of the courts of Luxembourg City in respect of all matters arising out of or in connection with the *General Terms and Conditions*.

#### **1.24 Miscellaneous**

The Client hereby acknowledges having received a copy of the Bank's General Terms and Conditions and its attachments (as applicable), in English and/or Chinese (as applicable), and having read and understood their contents. At any time during the contractual relationship, the Client shall have the right to request the Bank's General Terms and Conditions on paper or on another durable medium.

In case of a discrepancy between the English version and the Chinese version of these General Terms and Conditions or in case the Chinese version is not available, the English version will prevail.

If any term hereof is held invalid, void or unenforceable by any court or body of competent jurisdiction or by virtue of any legislation to which it is subject or by virtue of any other reason whatsoever, it shall be void or unenforceable to that extent only and the validity and enforceability of any of the other provisions of these General Terms and Conditions shall not be affected thereby to the extent allowed by law.

### **2. Terms and conditions concerning financial instruments**

The Bank has appointed a single officer of sufficient skill and authority with specific responsibility for matters relating to the compliance by the Bank with its obligations regarding the safeguarding of clients financial instruments and funds, in accordance with the applicable provisions of the MiFID Rules.

#### **2.1 Deposits of financial instruments**

##### **2.1.1 Custody account for financial instruments**

The Bank may accept any Luxembourg or foreign financial instruments on deposit and shall accept no obligations towards the Client other than those set out in articles 1927 and seq. of the Luxembourg Civil Code and the MiFID Rules (as defined below).

In the absence of any special agreement to the contrary, financial instruments are deposited in a fungible account. As a consequence, the Bank is obliged to return to the Client financial instruments of the same type but not bearing the same numbers, it being understood that the Bank shall keep records and accounts enabling it at any time to distinguish assets held for each client and its own assets in accordance with the applicable MiFID Rules.

The creation of any deposit of financial instruments shall comprise the opening of a cash current account unless the Client already has such an account. Debits and credits relating to purchases and sales of financial instruments, financial instruments transactions and payments of fees and commissions can be entered into the cash account relating to the financial instruments deposit.

The Client agrees that any fees and commissions due to the Bank for the custody of the financial instruments will be debited periodically from the Client's current account in accordance with the Bank's Standards of Charges and Commission, as amended from time to time.

##### **2.1.2 Use of correspondents and centralised financial instruments depositaries**

The Bank is hereby authorized, on behalf of and at the risk of the Client, to deposit the financial instruments held on the Client's custody account with its local or foreign correspondents or with centralised financial instruments depositaries chosen by the Bank.

Deposits abroad are subject to the laws, regulations and market practice of the place of the deposit. Clients' rights in relation to their financial instruments may vary according to these laws, regulations and market practices.

It might be that in a given country, the regulations do not allow the financial instruments belonging to the custodian to be segregated and identified separately from the financial instruments belonging to the Clients. In case of default or bankruptcy of one of these custodians, the Client may

therefore not recover integrally its deposit. The Bank shall only be responsible for selecting and monitoring the third party depository it has appointed with due skill, care and diligence in the selection in accordance with the applicable MiFID Rules and in any case, in the event of gross negligence or wilful misconduct on its part. To the widest extent authorized by law, the Bank shall be neither accountable for the solvency of the correspondents and/or collective depository institutions, nor liable for negligence or misconduct by them in the course of their activities. The Bank will be obliged to restore the financial instruments to the Client only insofar as these have been returned to it by the custodians, in particular in the case of the bankruptcy of the latter.

These deposits are not considered final until the third party depository confirms that they have been recorded.

The Client shall bear, in proportion to his share in the Bank's assets held with such correspondent, sub-custodian or centralised financial instruments depository, all consequences of an economic, political, legal, judicial or other nature which may affect any of the Bank's assets held with such correspondents, sub-custodians and clearing institutions. Each Client will accordingly bear a part of the losses affecting the specific financial instruments held for his account in proportion to his share in the total specific instruments held by the Bank. Such consequences may, for example, result from measures taken by the authorities or courts of the country of origin of such correspondent, sub-custodian or centralised financial instruments depository, or by third countries as well as bankruptcy, liquidation, force majeure, riots, war, fraud or other acts or situations beyond the Bank's control resulting in the Bank being unable to repay the Client's assets.

The Client states he is aware that in the event the Luxembourg or foreign financial instruments are not held directly by the Client in the issuer's register but indirectly through one or more custodians (including where the Bank acts as nominee), the Bank may not be able to notify him, or to notify him in due time, of certain information about the issuer or the financial instruments. The Bank shall only be liable in the case of gross negligence or wilful misconduct on its part. In particular, the Bank shall not have any liability in respect of the exercise of company rights attaching to the financial instruments held indirectly by the Client (including where the Bank acts as nominee or where the form of the financial instruments does not allow these rights to be exercised), in particular notices of general meetings, the right to attend and vote at general meetings and the right to bring proceedings against the issuer, within the context of both collective and individual proceedings.

Unless expressly agreed otherwise between the Client and the Bank, the Bank shall not have any duty to act as the Client's mandate holder, agent, proxy or in any similar capacity in order to exercise the Client's rights. At the express request of the Client, the Bank undertakes to issue declarations certifying the number and type of the financial instruments registered in the Client's account in order to facilitate exercise by the Client of the company rights attaching to the financial instruments.

Furthermore, in the event that a financial instrument is in dematerialized form, the Client irrevocably authorizes and empowers the Bank to disclose his identity at the request of the issuer of the financial instruments in question. The Client therefore releases the Bank from its professional secrecy obligation in this regard.

### **2.1.3 Status of the deposited financial instruments**

Deposited financial instruments must be recognised as "good delivery", meaning they must be authentic, in good material condition, not subject to protest, forfeiture or sequestration anywhere whatsoever and complete with all coupons due. The Client shall be liable for damages and related costs resulting from any defect apparent or hidden on the financial instruments deposited. The Bank is authorized to debit the Client's current account with any costs and fees related thereto.

In the event that financial instruments are not delivered satisfactorily, it must be noted that financial instruments subject to opposition will be blocked, financial instruments in poor physical

condition will be replaced where possible and at the Client's expense, or returned, and finally that forged financial instruments will be seized. Deposit, may, as soon as it is established that this financial instrument belongs to the Client, be withdrawn from the Client's financial instruments portfolio and returned or blocked pending regularization of the situation. If the situation is not regularized, the Client's cash account shall be debited with the amount equal to the value of the financial instruments, plus all expenses and commissions, at the rate of the day.

The Client must notify the Bank immediately of any disputes he is aware of relating to the financial instruments he holds.

#### **2.1.4 Transactions on deposited financial instruments**

Each time within the limits set forth in the MiFID Rules, the Client shall give the necessary instructions as regards any specific transaction to be carried out with respect to financial instruments held on the Client's custody account. The Bank shall not be held liable for any direct or indirect damages when acting upon instructions of the Client. In the absence of instructions on the part of the Client or in case of instruction received after the deadline fixed by the Bank, the Bank shall take the usual administrative measures on behalf of the Client in the best possible way. In these cases, the Bank shall not be held liable for any failure in carrying out the transaction or any delay in such a transaction nor for the financial result of it.

In this respect, the Bank undertakes to execute all purchase and sale transactions in financial instruments in Luxembourg or abroad in accordance with the instructions given by the Client.

The Client undertakes before subscribing in an undertaking for collective investment in transferable securities ("UCITS") to read carefully the latest updated version of the key investor information document ("KIID"). This is applicable for any subsequent subscriptions. KIID for which the Bank acts as distributor can be obtained on the following website [www.fundsquare.net](http://www.fundsquare.net) for download or at the counter of the Bank during the Bank's business hours on days on which banks are normally open for business in Luxembourg.

When instructing the Bank to buy or sell financial instruments on its behalf, the Client shall ensure that either the corresponding amount of money is available on its current account or deliver the financial instruments that are to be sold. If there is not enough money on the current account, the Bank has the option to either refuse to proceed or to proceed only partially.

Unless the Client instructs the Bank to the contrary in due course, the net proceeds of any coupons payable and redeemable shall be credited automatically into the Client's current account in the relevant currency. If no such account exists in the relevant currency, the Bank reserves the right to either open such an account or to convert the net proceeds into a currency for which the Client holds a current account with the Bank. Should the Bank have credited the net proceeds of any coupons payable and redeemable financial instruments, which the Bank was not able to collect, the Bank is authorized to automatically debit the Client's current account.

It is the Client's own responsibility to take all necessary steps to preserve the rights attached to the financial instruments deposited with the Bank, in particular for giving instructions with respect to the execution of conversion, on the sale or purchase of subscription rights or the exercise of any option attached to the financial instruments in deposit. In the absence of instructions from the Client in the prescribed time limit, the Bank is allowed but not obliged to act as it deems appropriate, provided the Client's balance on the current account enables the transaction to be carried out.

The Bank will inform the Clients of any corporate events relating to the financial instruments in deposit with the Bank following the receipt of the relevant information from the relevant issuers of such financial instruments or from any correspondents (unless such information has been communicated directly to the Client). This information is made available to the Bank either by the relevant issuers or relevant intermediaries. Therefore the Bank is not responsible for the accuracy of the information provided and for any error that could result there from.

The investment in certain financial instruments requires, in accordance with applicable laws and regulations, the transmission of data relating to the Client or to its beneficial owner to the national or foreign authorities or correspondents. In case of investment in such financial instruments, the Client hereby authorizes the Bank to transmit the required data which may include client identifying data in accordance with the applicable laws and regulations.

#### **2.1.5 Use of financial instruments by the Bank**

The Client hereby expressly agrees that the Bank may use his financial instruments in relation to securities financing transactions (i.e. stock lending or stock borrowing or the lending or borrowing of other financial instruments, a repurchase or reverse repurchase transaction, or a buy-sell back or sell-buy back) or otherwise for its own account or for the account of another client, at the risk and for the profit of the Bank, on the condition that such transactions are carried out on markets that are generally open to professionals in the financial sector. To this end, the Client transfers legal ownership of the financial instruments to the Bank.

The foregoing notwithstanding, the Client will be deemed to have retained ownership of the financial instruments for the purposes of pay-outs (dividends, interest, reimbursements, etc.) and for any rights, operations, or events relating to the financial instruments.

The Client may request restitution of all or part of the financial instruments at any time, subject to at least 3 (three) bank working days' notice.

If the Bank is unable for any reason to return the financial instruments or equivalent financial instruments, it will be considered to have fulfilled its restitution obligation if it credits the Client's account with an amount corresponding to the market price of the financial instruments at the end of the notice period referred to above.

The Bank may at any time discontinue the use of the financial instruments by returning the financial instruments or equivalent financial instruments to the Client, or an amount corresponding to the market price of the financial instruments on the date of restitution.

#### **2.1.6 Reporting**

- (i) Confirmations (for the execution of orders other than through a discretionary investment management mandate)

When the Bank has carried out an order on behalf of a Retail Client or a Professional Client (as these terms are defined hereafter in Section 2.2.1 (*Classification of Clients*)), it will (to the extent required by applicable law) provide the Retail Client or Professional Client with a trade confirmation.

In addition, the Bank will send on a quarterly basis the Retail Client or the Professional Client for whom it holds financial instruments a statement of those financial instruments unless such a statement has been provided in any other periodic statement. To the extent required by and in accordance with applicable law and these General Terms and Conditions, the statements will be sent to the Retail Client or the Professional Client.

- (ii) Periodic statements with respect to discretionary investment management

Where the Bank is managing investments for the Retail Client or the Professional Client, the Bank will either send to the Retail Client or the Professional Client or, if the Retail Client or the Professional Client specifically agrees in writing, make available on its website, a statement of the account of the Retail Client or the Professional Client. In the latter case, if the Retail Client or Professional Client has not consulted its statement at least once during the relevant quarter, the Bank will send a paper version of the statement to the Retail Client or the Professional Client.

The Bank will also send to the Retail Client a statement of the valuation and composition of his/her portfolio and/or any client assets and client money held. The Bank will do this after the end of each quarter. Alternatively, the Retail Client may either request that the Bank send him/her a statement of his/her account every three (3) months or the Retail Client may elect to receive information about transactions the Bank has executed on his/her behalf on a transaction-by-transaction basis, in which case the Bank will send him/her a statement of his/her account every 12 months and will also provide him/her with a confirmation of each trade executed on his/her behalf. If the portfolio of the Retail Client is a leveraged portfolio, the Bank will provide him/her with a statement every month.

If the Professional Client elects to receive information about transactions the Bank has executed on his/her behalf on a transaction-by-transaction basis, the Bank will provide the essential information concerning each transaction to him/her after the execution of such a transaction.

(iii) Reporting on portfolio losses

Where the Bank provides the service of portfolio management, it shall inform the Retail Client or Professional Client where the overall value of the portfolio, as evaluated at the beginning of each reporting period, depreciates by 10% and thereafter by multiples of 10% no later than by the end of the business day in which the threshold is exceeded or in case the threshold is exceeded on a non-business day, by close of the next business day, all in accordance with the applicable provisions of the MiFID Rules.

Where the Bank holds a Retail Client account that includes positions in leveraged financial instruments or contingent liability transactions, it shall inform the client, where the initial value of each instrument depreciates by 10% and thereafter at multiples of 10%. The Bank and the Retail Client agree that the related reporting should be made on a portfolio basis, and shall take place no later than the end of the business day on which the threshold is exceeded or, in a case where the threshold is exceeded on a non-business day, the close of the next business day, all in accordance with the applicable provisions of the MiFID Rules

## 2.2 Categorization of clients

### 2.2.1 Classification of clients

Pursuant to applicable Luxembourg Laws, the Bank shall inform the Clients to whom investment services or ancillary services (as defined in section 2.7 below) are provided of their categorization as retail clients ("**Retail Clients**"), professional clients ("**Professional Clients**") or eligible counterparties ("**Eligible Counterparties**").

(i) Retail Clients

These clients are afforded an additional level of protection compared to Professional Clients, in particular owing to the fact that the Bank must provide detailed information on the financial services and instruments offered and owing to the obligation imposed on the Bank to assess the clients' knowledge, experience and expertise before providing investment services.

(ii) Professional Clients

Professional Clients are supposed to have, for the types of investment services in respect of which they have been categorized as being Professional Clients, the necessary experience, knowledge and expertise to make their own investment decisions and properly assess the risks they incur.

The protection provided to Professional Clients takes into account the knowledge and experience that such clients have in general with respect to the investment services they request or are being offered. Consequently, these clients are able to decide on their own which information they need to take their decisions on an informed basis.

The category of Professional Clients includes the professionals automatically (“*per se*”) considered as such, as well as the clients who may be treated as professionals on their request. The second category of professionals “on request” includes those clients that may be allowed to waive some of the protections offered by the conduct of business rules. Such categorization on explicit request may be considered valid only if the Bank has assessed that the knowledge, experience and expertise of the client gives reasonable assurance, in light of the nature of the transactions or services envisaged, that the client is capable of making his own investment decisions and understanding the risks involved.

(iii) Eligible Counterparties

Eligible Counterparty is a type of client to whom certain protections do not apply.

Institutions authorized to (1) execute orders on behalf of clients, (2) deal on own account or (3) receive and transmit orders, may bring about transactions with Eligible Counterparties or enter into transactions or any ancillary service related to those transactions between eligible counterparties. This concerns any credit institution, as well as any investment firm except for investment firms operating a multilateral trading facility (“**MTF**”) in Luxembourg and investment advisors.

All investment firms without exception may however constitute an Eligible Counterparty in accordance with the provisions of Directive 2014/65/EU of 15 May 2014 on markets in financial instruments, the Regulation (EU) No 600/2014 of 15 May 2014 on markets in financial instruments, including delegated directives and regulations and any Luxembourg implementing measures, laws, regulations, including any CSSF circulars, as may be amended from time to time (the “**MiFID Rules**”). Article 37-7(2) of the Luxembourg law of 5 April 1993 on the financial sector, as amended (the “**LFS**”) lists the professionals that are treated as Eligible Counterparties. Third-country counterparties equivalent to these categories may also be considered as Eligible Counterparties.

When dealing with Eligible Counterparties, the Bank may benefit from exemptions of certain provisions in accordance with the MiFID Rules. However, given the fact that Eligible Counterparties are supposed to act as clients, certain MiFID Rules remain applicable and the Bank shall act honestly, fairly and professionally when dealing with Eligible Counterparties and it shall communicate in a way that is clear, fair and not misleading

In addition, certain Professional Clients “*per se*” shall be considered as Eligible Counterparties in accordance with the MiFID Rules.

Clients categorized as Eligible Counterparties may request in writing the protection provided for in the applicable MiFID Rules, whether in a general form or on a trade-by-trade basis. This option is particularly important for Eligible Counterparties that act on behalf of their clients and that are therefore under the obligation to act in the best interest of their clients laid down in article 37-3(1) of the LFS.

(iv) Procedure for Change in Categories

The Bank allows for changes in categories provided that certain conditions are met. Where a client requests to be classified in another category, either generally or in respect of a particular transaction, the Bank has the choice of providing the service on this new basis. The Bank must inform the client, in a durable medium (website for example), about the right the client has to request a different categorization and about any limitations to the level of client protection that it would entail.

(v) Changes to Professional Client /Eligible Counterparty categorization

Professional Clients and Eligible Counterparties are responsible for keeping the Bank informed about any change which could affect their categorization as Professional Clients or Eligible Counterparties.

Should the Bank become aware that a Professional Client/Eligible Counterparty no longer fulfils the initial conditions that made him eligible for a Professional Client/Eligible Counterparty treatment, the Bank may take appropriate action, including re-categorizing the Client as a Professional Client or a Retail Client.

#### **2.2.2 Possibility of renouncing on protection (“opt out”)**

A Client who has been categorized as Retail Client by the Bank may ask the Bank in writing to be treated as a Professional Client (and hence may lose certain protections and investor compensation rights), either generally or in respect of a particular service concerned or transaction, or type of transaction or product. The Bank may, at its discretion, decide not to take the request into consideration.

If the Bank agrees to take the request into consideration, upon receipt of such request it will assess whether the Client meets the objective conditions for opting for weaker protection. The Bank will further assess the expertise, experience and knowledge of the Client, and any other element that it deems appropriate, with a view to ensuring that the Client is capable of making his own investment decisions and understands the risks involved.

Professionals “on request” shall state in writing to the Bank that they wish to be treated as professionals, either generally or in respect of a particular investment service or transaction, and state in writing, in a separate document from the contract, that they are aware of the consequences of waiving protections. The Bank shall clearly state the protections that the Client may lose, such as information he will no longer receive automatically and the assessment of appropriateness that will no longer be performed.

Professional Clients “on request” should not be presumed to possess market knowledge and experience comparable to Professional Clients “per se”. As a minimum, 2 (two) of the following criteria must be satisfied:

- (1) The client has carried out transactions, in significant size, on the relevant market at an average frequency of 10 (ten) per quarter over the previous 4 (four) quarters;
- (2) The size of the client’s financial instrument portfolio, defined as including cash deposits and financial instruments, exceeds EUR 500,000 (five hundred thousand euros);
- (3) The client works or has worked in the financial sector for at least one year in a professional position, which requires knowledge of the transactions or services envisaged.

#### **2.2.3 Possibility of requesting enhanced protection (“opt in”)**

The Bank may, on its own initiative or at the Client’s request:

- treat as Professional Client or a Retail Client any Client who has been classified as an Eligible Counterparty by virtue of and in application of the MiFID Rules;
- treat as a Retail Client any Client considered as a Professional Client by virtue of and in application of the MiFID Rules.

#### **2.2.4 Client profile**

Before providing investment advice or portfolio management services, the Bank determines a Client profile for each Client, based on the information provided by the Client to the Bank by means of a special questionnaire or in any other form determined by the Bank, in order to assess the knowledge and experience of the Client in the investment field and to assess the Client’s ability to bear losses and his risk tolerance, his financial situation and his investment objectives so as to recommend, where applicable, to the Client the investment services and financial instruments that are suitable to him.

If the investment service provided is a service other than investment advice or portfolio management, the Bank shall assess whether the Client has the appropriate experience and



knowledge to understand the risks inherent in the product or investment service offered or requested.

If the Client does not provide enough information or if the information is not correct, the Bank will not be able to assess the profile of the Client. In that case, the Bank will warn the Client and will not bear any responsibility should the financial instrument not suit the Client's particular situation. The Bank is entitled to rely on information provided by the Client without further enquiry.

On the basis of the information provided by the Client to the Bank (including in case of incomplete information or conflicting information) and of the Client profile determined by the Bank, the Bank reserves the right not to provide or to restrict services concerned (as the case may be, with respect to certain financial instruments).

It is the responsibility of each Client to inform the Bank immediately of relevant changes to the information provided to the Bank. The Bank is fully entitled to rely on information provided by a Client. Incorrect or incomplete information may lead the Bank to establish a Client profile that does not suit the Client's particular situation and may thus have adverse consequences for the Client for which the Bank does not accept liability. The Bank reserves the right to modify, at any time, the profile of a Client following any change to the information provided by the Client.

### **2.3 Transactions and transfers**

The Bank undertakes to execute orders for the purchase or sale of financial instruments in the form of securities (stocks and bonds) and derivatives in accordance with the instructions given by the Client and in conformity with the laws, customs and practices of the place where they are executed. The signing of a Brokerage Application Form and the related derivatives application form is a prerequisite to execute the orders.

When placing orders, the Client must provide sufficient funds to cover the securities or derivatives to be purchased. In the absence of sufficient funds, the Bank may, at its option, either (i) refuse to carry out the purchasing of orders or either (ii) partially execute them. When the Bank receives from the Client several orders which total an amount exceeding the funds available to such Client, the Bank may execute such orders as it deems fit, regardless of the date they bear or the date on which they were received by the Bank, which is acting in the best interest of its Client.

The Client remains entitled to choose the regulated market and the execution of orders with or without limits. In any event, orders to be transmitted to brokers will only be executed if such transmission is physically possible in time, taking into account local customs and practices applicable in this respect. The Bank shall act with its best endeavour to forward the instructions received from the Client as quickly as possible.

Any amendment or cancellation of instruction must expressly refer to the initial instruction. In the case of absence of such a reference, the Bank shall not be liable for any negative consequences incurred.

Money or securities transfers may be subject to taxes, duties, restrictions and other measures imposed by the authorities of the country of the currency or of the correspondent's residence. The Bank bears no responsibility, nor makes any commitment towards the Client resulting from the above-mentioned events or any other events beyond the control of the Bank.

### **2.4 Execution policy**

#### **2.4.1 Scope**

The provisions of this clause outline the Best Execution Policy (the "**Policy**") of the Bank. Set out below is an overview of the order execution arrangements for instruments covered by the best execution requirements of the MiFID Rules.

This Policy is only applicable to Retail Clients and Professional Clients, as defined by the MiFID Rules and any reference in this Policy to a Client refers to these categories. Where best execution requirement applies, the Bank will take all reasonable steps to obtain the best possible result for its Clients taking into account the best execution criteria.

Acceptance of these General Terms and Conditions shall indicate express acceptance of the order execution policy for the various categories of financial instruments. It is expressly agreed between the parties that, to enable the Bank to ensure best execution within the meaning of the MiFID Rules, the Client authorises the Bank to execute certain individual orders, or orders in certain financial instruments, outside the regulated markets or outside an MTF (Multilateral Trading Facility), that is over-the-counter or on any OTF (organised trading facility, meaning a multilateral system which is not a regulated market or an MTF and in which multiple third party buying and selling interests in bonds, structured products, emission allowances or derivatives are able to interact in the system in a way that results in a contract). Any order given by the Client following receipt of the appropriate information concerning the Bank's order execution policy shall signify express consent of such policy.

#### **2.4.2 Best execution elements and criteria**

Where best execution applies, the Bank will take all sufficient steps to achieve the best possible execution result on a consistent basis. Ordinarily, the best possible result shall be determined in terms of total consideration, representing the price of the financial instrument and the costs related to execution. The Bank may use its commercial experience and judgement to give precedence to other factors such as speed, likelihood of execution and settlement, size, nature of the order, its market impact and implicit transaction costs, but only insofar as they are instrumental in providing the Client with the best possible result in terms of the total consideration.

Notwithstanding the above, when executing a Client's order, the Bank will also take into account other criteria such as the characteristics of the Client including the categorisation of the Client (as retail or professional), the characteristics of the Client's order, the characteristics of the financial instruments that are subject to the order, the characteristics of the execution venue to which the order may be directed.

For Retail Clients, the best possible result shall be determined in terms of the total consideration, representing the price of the financial instrument and the costs relating to the execution, which shall include all expenses incurred by that retail client which are directly relating to the execution of the order including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order. This applies in particular to securities such as shares and bonds, subscribed by Retail Clients.

For financial market products, such as foreign exchange forward, foreign exchange swap, foreign exchange option, interest rate swap, cross currency swap, structured products, the Bank will execute the order following specific instructions from the Client only. However, the Bank, acting honestly and professionally, undertakes to check the fairness of the price proposed to the Client, by gathering market data used in the estimation of the price of the relevant product and, where possible, by comparing with similar or comparable products.

#### **2.4.3 Execution venues**

Detailed below is a list of the execution venues that the Bank places significant reliance on, as it believes they offer the best prospects of affording the Client the best possible result on a consistent basis, taking into account price, cost, speed of execution, likelihood of execution and size of the order. This list is not exhaustive and the Bank may use other execution venues from time to time.

Execution venues for shares and bonds:

BOCI Securities Limited  
UBS Switzerland AG (Zurich, Switzerland)

Bloomberg MTF (EMSX, TSOX)

Execution venues for financial market products, such as foreign exchange forward, foreign exchange swap, foreign exchange option, interest rate swap, cross currency swap, structured products, etc:

Bank of China Limited

Bank of China (Europe) S.A.

(In other words, the Bank acts as a counterparty to its client).

Execution arrangements will vary depending on whether the Client asks the Bank to buy or sell a financial instrument on its behalf (i.e. where the Bank acts as agent) or if the Bank provides the Client with a quote as a price at which the Bank is willing to trade (i.e. where the Bank acts as principal).

The Bank will publish on its website the top five execution venues on an annual basis.

#### **2.4.4 Trading Venues**

For the purposes of this Policy, the Bank will ensure that each Client order will be executed on a Trading Venue (as defined in the MiFID Rules) as long as the Client's order relates to financial instruments being subject to trading obligation. The Bank will obtain prior express consent from its Clients before proceeding to execute their orders outside a Trading Venue.

#### **2.4.5 Specific Client instructions**

Where the Client provides the Bank with a specific instruction as to how to execute an order the Bank shall, where possible, endeavour to carry out Client's instruction. However the Client should note that if the Bank acts on the Client's specific instruction, the Bank may be prevented from executing the order in accordance with the Bank's Best Execution Policy. If a Client provides the Bank with specific instruction(s), the Bank will be treated as having satisfied its obligation to take all reasonable steps to obtain the best possible result for the Client.

The Bank undertakes to promptly inform Retail Clients of any material difficulties that would prevent the Bank from properly carrying out any such Clients' orders upon becoming aware of such difficulty. Whilst this obligation only applies to Retail Clients, the Bank will endeavour to similarly inform Professional Clients on a best efforts basis.

#### **2.4.6 Quoted prices**

Where the Bank offers a quote to a Client on his request, and which the Client accepts, the present Policy will in principle not apply. The Bank will consider the following factors when providing a quote in a financial instrument:

- (1) The credit risk that the Bank will enter into when transacting with the Client;
- (2) The positions that the Bank or its affiliates hold in the financial instrument the Client wishes to transact in, or related instruments;
- (3) The cost of capital that the Bank incurs as a result of the transaction;
- (4) The level of service provided to the Client;
- (5) The need for the Bank to ensure that the price quoted allows it to recoup its costs as well as to generate a profit for its shareholders;
- (6) The nature of the market and/or the instrument in question.

It is impossible to quantify the relative contribution of each of these execution factors to the price quoted in advance as they will vary transaction by transaction.

#### 2.4.7 Monitoring and review

The Bank will monitor the effectiveness of its execution arrangements and Policy and assess on a regular basis whether the execution venues, that the bank has selected, to determine whether existing venues continue to provide for the best possible result for clients and also to review the suitability of new execution venues. In making this assessment the Bank will use information derived from its internal best execution monitoring tools and processes as well execution quality data reported by execution venues.

This will include the following factors:

- (1) Price;
- (2) Liquidity;
- (3) Execution and clearing costs;
- (4) Clearing arrangements such as settlement reliability;
- (5) Execution venue trading controls; and
- (6) Scheduled actions.

In executing client orders, the Bank does not receive any remuneration, discount or nonmonetary benefit for routing client orders to a particular execution venue which would infringe any conflicts of interest or inducement requirements.

The Bank will review this Policy and its execution arrangements at least annually or on an ad hoc basis in case of significant market events. The Bank will also notify its Clients of any material changes to its execution arrangements or this Policy.

#### 2.4.8 Amendment to this Policy

The Bank may amend this Policy at any time as it deems necessary in accordance with the provisions of Article 8 (*Amendment of the General Terms and Conditions*) which apply to the amendment of this Policy. Where there is a material change to the Bank's execution arrangements which could impact the execution factors, this will be communicated to the Clients via updating of the Policy.

#### 2.5 Conflicts of interests

The Client acknowledges having been informed of the Bank's *Conflicts of Interest Policy* (prepared pursuant to the MiFID Rules) that identifies, as far as investment services and activities are concerned, circumstances that may generate a conflict of interest such that the Bank's interests may conflict with the Client's interests. This policy contains the procedure and measures to be taken in view of managing these potential conflicts of interest. Nevertheless, the Client acknowledges and accepts that the Bank is not responsible for situations of conflicts that the Bank cannot reasonably foresee or detect.

The Bank's Conflicts of Interest Policy can be provided to the Client upon written request. It is designed to inform the Client of the Bank's policy regarding conflicts of interest that could arise in the provision of services and substantially, it describes:

- (1) Situations that could give rise to a conflict of interests;
- (2) The system in place for identifying such situation; and
- (3) The methods of management, resolution and disclosure of such conflicts once they have arisen.

## 2.6 Inducements

As a matter of principle and in accordance with the applicable MiFID Rules, the Bank does not receive any inducement.

Should the Bank pay or receive any fees, commissions or other non-monetary benefits from any third parties when providing the service to the Clients, the payment or receipt of such fees, commissions or other non-monetary benefits shall be designed to enhance the quality of the service provided to the Client and must not impair compliance of the Bank's duty to act honestly, fairly, professionally and in the best interests of the Client. In addition, relevant Clients shall be accurately informed in advance of the nature and the amount (or the calculation method) of any inducement, including retrocession, paid to or received by a third party. For good practice, the Bank shall request the approval in writing from the relevant Clients before conducting the corresponding business operations.

## 2.7 Investment services

### 2.7.1 General terms

The General Terms and Conditions constitute the contractual framework between the Bank and its Clients for the provision of investment services and ancillary services in relation to financial instruments.

For the purpose of this Article 2.7, "*investment services*" means:

- Receipt and transmission of orders in relation to one or more financial instruments.
- Execution of orders on behalf of Clients.
- Portfolio management, i.e. the discretionary and personalized management of portfolios (where such portfolio includes one or more financial instruments) in accordance with a mandate given by the Client.
- Investment advice, i.e. the provision of personalized recommendations to Clients with respect to one or more transactions relating to financial instruments.
- Underwriting of financial instruments and/or placing of financial instruments on a firm commitment basis.
- Placing of financial instruments without a firm commitment basis.

For the purpose of this Article 2.7, "*ancillary services*" means:

- Safekeeping and administration of financial instruments for the account of Clients, including custodianship and related services such as cash/collateral management.
- Granting credits or loans to an investor to allow him to carry out a transaction in one or more financial instruments, where the Bank is involved in the transaction.
- Advice to undertakings on capital structure, industrial strategy and related matters and advice and services relating to mergers and the purchase of undertakings.
- Foreign exchange services where these services are connected to the provision of investment services.
- Investment research and financial analysis or other forms of general recommendation relating to transactions in financial instruments.
- Services related to underwriting.
- Investment or ancillary services relating to commodities and other elements such as climatic variables, freight rates, emission allowances or inflation rates when used as underlyings of certain derivatives and when connected to the provision of other investment or ancillary services.

In some instances the Bank and a Client may enter into a specific agreement which specifies the investment services and/or ancillary services provided to such Client. In case of discrepancy between the General Terms and Conditions and that specific agreement, the latter shall prevail.

### 2.7.2 Investment advice

Before providing any service or advice, the Bank undertakes to provide the Client with the following preliminary information:

- whether the advice to be provided is independent or non-independent;
- whether advice is based on a broad or restricted range of financial instruments; and
- whether it will provide the Client with a periodic assessment of the suitability of the financial instruments recommended to that Client.

#### (i) Provision of investment advice

In the context of these General Terms and Conditions, investment advice shall mean the provision of personalised recommendations to the Client, whether at the Client's request or at the Bank's initiative, concerning one or more transactions in financial instruments as listed by the MiFID Rules.

For any transaction in financial instruments executed without the provision of investment advice as defined above, and thus at the Client's sole initiative, the Bank shall not be required to verify that the instrument or service provided is suitable for the Client's investor profile.

The Bank shall not perform automatic controls on the composition of the Client's portfolio and the compliance with the Client's investment policy defined with the Bank.

The Bank expressly agrees with the Client that the Bank shall analyse the suitability of the Client's portfolio in relation to his/her/its investor profile only when the Client directly requests the Bank for its investment advice or when such advice is provided at the Bank's initiative.

#### (ii) Investment policy

The Bank has classified financial instruments into four product types, i.e. money-market instruments, equities, bonds and other financial instruments.

For each of the investor profiles, the Bank recommends a minimum and maximum weighting for each of the four product types in relation to the Client's assets. The greater the emphasis in the investor profile on returns, the more the percentage of financial products presenting an exposure to high risks will be over-weighted, and vice-versa.

The Bank recommends for each investor profile, the reference currency of which is the Euro, a predetermined maximum exposure to other currencies.

The proportion of UCI-type financial instruments shall be a function of the assets underlying the UCI.

The Bank reserves the right to periodically modify the weightings and maximum and minimum thresholds, taking into account the Bank's analysts' forecasts or general trends in the financial markets.

### 2.7.3 Advisory and discretionary portfolio management

#### (i) Scope of advisory portfolio management agreement

Advisory management is a management mandate and is subject to a specific agreement between the Bank and the Client, pursuant to which the Bank gives recommendations to the Client. The Bank shall have the task of managing the Client's assets in cooperation with the Client, i.e. all management decisions are to be taken jointly by the Bank and by the Client in accordance with the investment policy described above.

The Bank shall subject the portfolio to a periodic review, taking into account the Client's investor profile, the current political, social, financial and economic situation and the Client's guidelines as regards the management of his/her/its portfolio. Where the Bank has requested the Client to provide it with information regarding the Client's investment objectives, financial status and knowledge and experience in the investment field relevant to the product or services provided to the Client for the purpose of assessing suitability, it is the Client's responsibility to ensure that such information is kept up to date.

#### (ii) Discretionary portfolio management services

The Bank shall be responsible for managing the Client's assets by virtue of the specific discretionary portfolio management contract. This specific agreement sets out the terms and conditions as well as the liability connected with discretionary portfolio management mandates, together with the Client's investor profile.

#### (iii) Scope of discretionary portfolio management mandate

In the context of a discretionary portfolio management agreement, the Bank shall be entrusted with the Client's assets and shall have the task of managing them at its discretion.

Thus, it shall be authorised to carry out on the Client's behalf all the operations that it considers to be in the Client's interest and in accordance with his/her/its investor profile, notably the purchase and sale of securities, the opening and closing of cash deposits, and generally all transactions that it shall deem appropriate in the context of the management mandate, each time subject to any applicable limit including with respect to potential intragroup deposit of Client's funds which may be limited to a maximum amount of 20% of such funds, in accordance with the applicable provisions of the MiFID Rules.

Throughout the term of the agreement, the Client may neither take action with regard to the assets under management nor interfere in said management, without the Bank's express agreement.

Thus, the Client waives any right in particular to have access to the assets under management by means of electronic or remote banking systems.

#### (i) Investment policy

The discretionary portfolio management agreement sets out the financial instruments eligible to be used in the context of discretionary portfolio management.

As a function of the investor profile, determined jointly with the Client, an investment strategy is defined for management of the Client's portfolio. A detailed description of the investor profile and of the strategy forms an integral part of the discretionary portfolio management contract.

#### (ii) Responsibility and obligations

The Client shall be fully and completely responsible for operations that the Bank shall carry out in the context of any management mandate.

The Bank undertakes to carry out its mandate with care and diligence.

The Bank shall be obliged to provide the Client with a report on its management once a year.

The Bank shall be authorised to represent the Client vis-à-vis third parties. In the event a special power of attorney is required, it will be drafted, reviewed and agreed between the Client and the Bank on a case-by-case basis. Once in agreed form, it will be submitted to the Bank.

Concerning the discretionary management of his/her/its portfolio, the Client shall be informed in writing, by telephone or any other means agreed between the parties, of any loss affecting the portfolio that exceeds a threshold determined in advance with the Bank on the basis of a 52-week period. Notification shall be made on the basis of a daily evaluation of the portfolio.

In the event that the investment profile is changed, the loss threshold applicable to the new profile shall be applied. In the event that a Client's strategy is changed to a less aggressive strategy, over a given 52-week historical period the relevant loss threshold shall be calculated by weighting over time the strategies concerned.

Concerning the discretionary management of his/her/its portfolio, the Client shall be given a benchmark so that he/she/it can monitor the Bank's performance as compared to the financial markets generally. The Client may obtain further information on the benchmark from his/her/its usual branch of the Bank.

(iii) Term of mandate

The Client shall be entitled to terminate the mandate at any time by registered letter.

Termination shall take effect as from receipt of said registered letter by the Bank. However, any transactions under way at the time of termination shall not be cancelled.

The Bank may terminate the agreement by registered letter provided 30 days' notice is given.

The agreement shall remain in effect in the event of the death or legal incapacity of the Client and until it has been terminated in writing by the Client's beneficiaries or by his/her/its legal representatives.

#### **2.7.4 Other services in relation to financial instruments**

(i) Services other than investment advice, advisory or discretionary portfolio management

When the Bank provides services other than investment advice, advisory or discretionary portfolio management, it is legally obliged, other than in the case of the simple execution of an order concerning a non-complex instrument, as referred to in the MiFID Rules, to enquire as to the Client's investment knowledge and experience in relation to the specific type of product or service requested to enable it to assess whether the investment service or product is appropriate for the Client.

If the Client decides not to provide the information on its knowledge and experience, or if the information provided is inadequate, the Bank shall execute the orders and advise the Client that it is not in a position to determine if the service or product is appropriate for the Client.

If the Bank considers, on the basis of the information received from the Client as to his/her/its investment knowledge and experience, that the product or service is not appropriate for the Client, the Bank shall notify the Client prior to execution of any transaction in such a product.

(ii) Provision of investment services comprising solely the execution and/or receipt and transmission of Clients' orders concerning non-complex products.



When the Bank provides the Client with services comprising solely the execution and/or receipt and transmission of his/her/its orders, with or without ancillary services, the Bank is not required to obtain the information or carry out the assessment provided for in the paragraph above, if:

- the services relate to securities admitted to trading on a regulated market or an equivalent market in an equivalent third country, money-market instruments, bonds and other forms of securitised debt, shares or units in UCITS and other non-complex financial instruments as referred to in the MiFID Rules;
- and the service is provided at the Client's request.

The Client shall be informed at the time of provision of such services that the Bank is not obliged to evaluate whether the instrument or service provided is appropriate for the Client, and that he/she/it does not benefit from the corresponding protection under the relevant rules of conduct.

## **2.8 Transactions on derivative instruments**

Any Client who instructs the Bank to enter into derivative instruments or transactions under any form whatsoever is hereby informed of the high level of risk and significant risk of loss of such instruments or transactions, and acknowledges that he has been warned by the Bank in this respect.

The Bank is never obliged to take any initiative in respect of the developments that may occur with respect to such derivative instruments or transactions unless the Bank received express instructions from the Client.

The Client further undertakes to comply with its obligations under Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, as amended from time to time ("EMIR") and the Commission Delegated Regulation (EU) No 149/2013 of 19 December 2012 ("EMIR RTS"). In particular and without limitation, the Client undertakes:

- to notify the Bank whether it qualifies as a financial or non-financial counterparty under EMIR, if it exceeded any of the clearing thresholds under EMIR and EMIR RTS, whether it is subject to any clearing obligation under EMIR;
- to comply with any risk management techniques and/or exchange of collateral applicable, as the case may be, to him under EMIR and cooperate in good faith with the Bank in this respect;
- to comply with any reporting obligations applicable to him under EMIR.

## **3 Payment services**

### **3.1 Cash withdrawal**

The Client shall personally come to the Bank for cash withdrawal from either Term or Current Deposit Account, unless otherwise expressly specified between the Bank and the Client.

A withdrawal may be made by a third person other than the Client, provided that an authorized letter validly signed by the Client is produced to the Bank, along with (i) a copy of a valid identity certificate of the third person and (ii) the exact amount to be withdrawn.

The Client shall notify the Bank of the amount to be withdrawn at least five (5) business days before the date of withdrawal, unless the withdrawal amount remains under EUR 10,000.00- (ten thousand Euros).

If a Client who is a natural person intends to withdraw money from the Term Deposit Account before Maturity Date, the Bank may authorize an early repayment with interest being paid on the amount withdrawn at the current account interest rate. In case of partial withdrawal, the interest

rate applying to the remaining amount will be set in accordance with the interest rate of the original value date and on the basis of the remaining amount.

In the case of corporate Clients, no interest will be paid in such circumstances.

Verification of the account balance should be conducted within one month after the date of any transaction; otherwise the balance indicated on the Bank's records would be treated as approved as stated in Article 1.11.

### **3.2 Transfers**

Where a transfer is made by the Client, the value date for debiting the account of the Client giving the instruction must not predate the transaction for payment done in any currency whether inside or outside the EU and EEA.

Funds in any currency transferred by the payer in favour of the Client as payee shall be credited to the Client's account with the value date equivalent to the date on which the Bank effectively receives the amount in question. The Bank shall ensure that the amount of the payment order is at the Client's disposal immediately after the amount is credited to the Client's account where, on the part of the Bank, there is (a) no currency conversion or (b) a currency conversion between the Euro and a Member State currency or between two Member State currencies.

The Bank has the right to postpone the execution of the payment instruction if further information is required and in such case, the value date will be the date on which such information is received. In this context, in case of error or negligence by a third party or a Client, the Bank cannot be held responsible.

The Bank has the right to return the funds transferred by the payer back if and when the Client does not provide information on the origin of the funds received in a manner satisfactory to the Bank or because of its legal obligations to fight money laundering and terrorist financing more generally.

### **3.3 Payment instruments**

The payment instruments issued or offered by the Bank may be subject to special terms and conditions. The Bank will inform the Client upon his request about the payment instruments offered by the Bank. The Bank may also inform its clients about the payment instruments offered by the Bank on its official website.

The Client must take all reasonable steps to protect the payment instruments from loss, theft, misappropriation or fraudulent use. Clients using the Bank's personal internet banking website must adhere to specific security obligations mentioned therein relating to the safeguarding of their online payment instruments, mentioned in the terms and conditions for personal online banking, as such terms and conditions may be amended from time to time.

As soon as the Client is aware of the loss, theft, misappropriation or fraudulent use of a payment instrument (including, without limitation, credit cards), the Client undertakes to immediately and in any case without undue delay inform the Bank. The Client suffers all consequences which may result from any loss, theft or fraudulent use of such payment instruments. The Client will be liable for losses resulting from any unauthorized payment order using a lost, stolen or misappropriated payment instrument before the Bank receives notification thereof, as well as in the event of fraudulent use or gross negligence on his part.

For the Consumer Client:

- (1) losses resulting from an unauthorized payment order using a lost or stolen payment instrument and for which he is liable shall not exceed EUR 50 (fifty Euros)

- (2) the immediately preceding sub-paragraph (1) above shall not apply if (a) the loss, theft or misappropriation of a payment instrument was not detectable to the Consumer Client prior to a payment except where the Consumer Client has acted fraudulently or (b) the loss was caused by acts or lack of action of an employee, agent or branch of the Bank or of an entity to which its activities were outsourced;
- (3) the Consumer Client shall bear all of the losses relating to any authorized payment orders if they were incurred by the Consumer Client acting fraudulently or failing to fulfil one or more of its obligations with intent or gross negligence. In such cases, the maximum amount referred to in paragraph (1) above shall not apply. All payment instruments delivered to the Client remain the ownership of the Bank and have to be returned upon first demand.

The Bank reserves the right to entrust the administration of credit cards to third parties of its choice.

By entrusting the Bank with the collection of drafts, cheques or other instruments for his account, the Client guarantees to the Bank the actual payment of such instruments including the case where the Bank, having already credited the Client's account, does not subsequently receive the funds or, having received them, has returned them for whatever reason. Pending full repayment of any debit balance on the Client's account(s), the Bank shall retain against any obligor all rights under the instruments for the total amount of such instruments increased by its ancillary rights under the applicable law of bills of exchange, the law of cheques or other applicable laws. In all such cases, the Bank shall have a recourse against the Client and shall be entitled, but not obliged, to proceed at the Client's expense with protest ("*protêt*") and other formalities, even after expiry of the legal time-limits. In addition, the Bank is at any time entitled to counter-pass ("*contrepasser*") and/or re-debit unpaid bills of exchange, checks and other instruments previously discounted or credited.

The Bank shall not be liable for presentation of cheques and draft within the required time period and it does not guarantee that protest ("*protêt*") is notified within the legal time period.

### **3.4 Payment orders**

#### **3.4.1 Account number and bank code**

For the execution of payment orders, the Client must indicate the account number in the international bank account number ("**IBAN**") format, and/or any specific information requested by the Bank in accordance with the relevant remittance application form, together with the relevant bank identifier code ("**BIC**").

For the execution of payment orders for which the account number is indicated in a format other than IBAN or for which the account number does not exist in the IBAN format, the BIC and the society for Worldwide Interbank Financial Telecommunication ("**SWIFT**") code of the beneficiary bank or any other number or information allowing this bank to be identified must be supplied, as well as any other account identification code or number, to the extent applicable, under the Client's responsibility.

Payment orders submitted without the account number in IBAN format may lead to delays and additional fees charged at the relevant rates in effect in accordance with the Bank's Standards of Charges and Commission.

#### **3.4.2 Time of receipt**

A payment order or series of payment orders shall not be deemed to have been received by the Bank unless it has been duly authorized, consented by the Client and contains all the information required for its correct execution. In the absence of an express consent from the Client, the payment order shall be considered as being unauthorised.

Unless otherwise agreed between the Bank and the Client, any payment order shall be consented prior to execution and may be withdrawn at any time until the order becomes irrevocable (i.e. once the payment order is received by the Bank).

Consent on series of payment orders may also be withdrawn, in which case any future payment order shall be considered unauthorised.

The time of receipt of each payment order without a scheduled execution date is the time at which the payment order is received by the Bank. If the time of receipt is not a bank working day, the payment order shall be deemed to have been received on the next bank working day on which the Bank carries on the activities required to execute the payment order.

The Bank is also authorized to set out in its tariff a cut-off time after which any payment order shall be deemed to have been received or provided on the following bank working day. Such cut-off time is 4 pm (Luxembourg time) on each working day.

Subject to the request being addressed in the agreed manner and being compatible with the type of payment order in question, the Client may agree with the Bank for the payment order to start on a given date or on expiry of a specific period or on the date on which the payer made the relevant funds available to his bank, in which case the time of receipt shall be deemed to be the pre-agreed day. If the agreed day is not a bank working day the payment order shall be deemed to have been received on the next bank working day.

#### **3.4.3 Execution time for payment order**

For payment done in EUR, or payment done in any currency inside EU and EEA, the time limit for execution of a transaction will be not more than D+1 ("D" being the day on which the payment order is received by the Bank, which must be a bank working day). This time limit may be increased by one more bank working day if the order is presented in paper form. The execution days are bank working days. The Bank can refuse to execute a payment order when there are insufficient funds in the account to be debited at the reception date. The Bank reserves the right to charge a fee for notifying the Client of its refusal to execute the order.

#### **3.4.4 Revocation of a payment order**

Payment orders may not be revoked once they have been received by the Bank.

Payment orders for which the Client has indicated an execution date that falls after the receipt date may be revoked by the Client no later than 1 (one) bank working day before the execution date.

The Bank may charge fees for revoking a payment order on the basis of the rates in effect.

#### **3.4.5 Notification of unauthorized or incorrectly executed payment orders**

Executed payment orders must be contested to the Bank in writing.

The Client shall inform the Bank without undue delay on becoming aware of any unauthorized, fraudulent or incorrectly executed payment order, and in any case no later than thirty (30) days after dispatch of the statements of account, unless the Bank has failed to provide or make available the information on that payment order.

The Consumer Client will have 13 (thirteen) months from the date his account is debited to contest the payment.

The Client has no right to request rectification by the Bank of the transaction in case of failure by the Client to notify the Bank within the delays and forms.

#### **3.4.6 Notification of Fraud by the Bank**

In the event of suspected fraud, the Bank will notify the Client using the usual appropriate means of communication and may also take any appropriate measures to safeguard the Client's interests, such as blocking the Client account.

#### **3.4.7 Evidence on authentication and execution of payment orders**

Where the Consumer Client denies having authorized an executed payment order or claims that the payment order was not correctly executed, it is for the Bank to prove that the payment order was authenticated and accurately recorded, entered in the accounts and not affected by technical breakdown or some other deficiency of the service provided by the Bank.

Where a Consumer Client denies having authorized an executed payment order, the use of a payment instrument recorded by the Bank shall in itself not necessarily be sufficient to prove either that the payment order was authorized by the Consumer Client or that the Consumer Client acted fraudulently or failed with intent or gross negligence to fulfil one or more of its obligations. The Bank shall provide supporting evidence to prove fraud or gross negligence on part of the consumer Client.

#### **3.4.8 Individual payment orders**

##### **3.4.8.1 Information before execution of individual payment orders**

In case of an individual payment order initiated by the Client, the Bank will, at the written request of the Client, ensure to provide information on (i) the maximum execution time for the initiated payment order, (ii) the amounts of any charge to be payable by the Client and, where applicable, (iii) a breakdown of any charge.

##### **3.4.8.2 Information for the Client on individual payment orders**

After the amount of an individual payment order is debited from the Client's account, or, where the Client does not use a payment account, after receipt of the payment order, the Bank shall provide the Client, on paper or another durable medium and without undue delay and in easily understandable words and in a clear and comprehensive form, with all the following information:

- (1) Reference enabling the Client to identify each payment order and information of the payee (where applicable);
- (2) Amount of the payment order and currency;
- (3) Amount of charges for the payment order and where applicable, a breakdown of charges or interest payable by the Client;
- (4) If applicable, the exchange rate used in the payment order by the Bank; and
- (5) The debit value date.

#### **3.4.9 Client's liability**

A payment order executed according to the account number indicated is considered properly executed as regards the designated beneficiary.

If the account number indicated by the Client does not correspond to the designated beneficiary, the Client is liable for the incorrect execution of the payment order and shall bear the financial loss.

This is also the case for payment orders outside the EEA when the account number or any other information provided by the Client for the purpose of identifying the beneficiary does not correspond to the beneficiary.

At the Client's request, the Bank will try to recover the funds paid out, but it has no obligation to successfully do so. It reserves the right to charge the Client search and recovery fees on the basis of the rates in effect.

#### **3.4.10 Liability of the Bank in case of unauthorized payment**

In the case of an unauthorized payment order, the Bank shall immediately refund to the Client the amount of the unauthorized payment order and, where applicable, restores the debited payment account to the state in which it would have been had the unauthorized payment order not taken place.

A/ Where the Client is a Consumer

The Client who is a Consumer Client shall, however, remain liable for any loss resulting from an unauthorised payment order under the following circumstances and subject to the following conditions:

- ✓ Until notification to the Bank pursuant to the rules on notification of an unauthorized payment order under these General Terms and Conditions, of the loss or theft of a payment instrument or misuse of a payment instrument which was made possible because the Consumer Client was unable to preserve the security of its personalised security features: the Consumer Client remains liable up to an amount of fifty euros (EUR 50);
- ✓ Notwithstanding the above, the Consumer Client shall bear the entirety of the losses incurred before the aforementioned notification has been sent to the Bank if, intentionally or as a result of a gross negligence:
  - (1) he/she has failed to satisfy to his obligation to use the payment instrument in accordance with these General Terms and Conditions; and/or
  - (2) his/her notification was sent to the Bank with undue delay;
- ✓ In any case, the Consumer Client shall bear the entirety of the losses resulting from an unauthorised payment order in the event that he has acted fraudulently, irrespective of the notification of an unauthorised payment order, the loss or theft of a payment instrument or misuse of a payment instrument, sent to the Bank.

B/ Where the Client is not a Consumer

The non-Consumer Client shall bear all the losses incurred before the notification to the Bank of the loss, theft or misappropriation of a payment instrument. After such notification, the non-Consumer Client shall not bear any loss.

Notwithstanding the preceding paragraph, the non-Consumer Client shall bear all losses relating to any unauthorised payment orders, even after notification, if it is established, except in case of loss, that the non-Consumer Client acted negligently or fraudulently.

#### **3.4.11 Liability of the Bank in case of non-execution, defective or late execution of payment order**

Where a payment order is initiated directly by the Client, the Bank shall, notwithstanding any other provisions contained in these Terms and Conditions, be liable to the Client for correct execution of the payment order, unless it can prove to the Client and, if applicable, to the payee's payment service provider, that the payee's payment service provider received the amount of the payment order by the end of the following business day.

In case the Bank is responsible for any such non-execution, defective or late execution and that the payee's payment service provider is not liable for any such non-execution, defective or late execution, the Bank shall without undue delay, refund to the Client the amount of the non-

executed or defected payment order and, where applicable; restore the debited payment account to the state in which it would have been had the defective payment order not taken place and the credit value date shall be no later than the date on which the amount was debited from the Client's account.

#### **3.4.12 Internet banking services**

The Bank may provide its Clients with an online banking service accessible via the transactional part of its website which is governed by specific terms and conditions in relation to this service.

Mobile access to the website may be provided by the Bank through its IT systems and is intended for use by Clients using computer systems compatible with any system chosen by the Bank and which grants the Clients access to the transaction section of the Bank's website.

When the Client remotely accesses the Bank's services, he must ensure that his telecommunication equipment and subscriptions allow him to access the features offered. The information required to use remote financial or banking services is available to the Client on request.

The Client agrees to use the software, programmes and applications made available to him by the Bank, in accordance with the Bank's instructions and recommendations. He may not, in any form or manner, make them available to third parties or copy, decompile, adapt or alter them.

The electronic means of identification and authentication which the Bank may make available to the Client are personal and non-transferable.

Any transaction carried out electronically allowing identification and/or authentication of the Client is deemed to be initiated by the Client.

The Client agrees to notify the Bank immediately of the loss or theft of his means of identification and authentication so that measures may be taken to block them. Failure to immediately notify the Bank will constitute gross negligence by the Client, incurring his liability where relevant.

### **4 Companies and undertakings for collective investments**

The Bank may provide assistance for the purpose of the incorporation of holding companies or financial holdings, commercial companies, undertakings for collective investment or other forms of legal entities provided for by law.

It shall agree to the domiciliation and administrative management of companies on the basis of special agreements.

### **5 Loans and Credits**

#### **5.1 Type of loans and credits**

The Bank may grant the Client personal loans with or without guarantees, short-term loans with or without the setting up of non-personal guarantees, loans for housing, loans for investment and, if applicable, any other type of loan to be agreed between the parties.

The Bank may grant credit facilities to the Client, generally in the form of credit facilities on a current account, cash facilities, cash credits, discount credits for Clients and suppliers, direct credit facilities "subject to collection", documentary credits, bank guarantees and sureties.

The Bank may ask the Client to provide guarantees and/or security interests over assets in order to guarantee or secure the repayment of the loans and credits.

## 5.2 General terms and conditions for loans and credits

All loans and credit facilities shall be governed by clauses and conditions signed in the context of agreements for loans and credit facilities entered into by the parties, without prejudice to the provisions of these General Terms and Conditions.

If the loan or the credit facility is granted in the name of several natural persons or legal entities or of a de facto association, the joint borrowers or partners shall be jointly, severally and indivisibly liable for the payment of the debit balance. They may not claim the right of discussion or of division regardless of their capacity as traders or non-traders.

The debt to the Bank shall be stipulated to be indivisible and may be claimed in part or in whole from each of the contracting parties or their beneficiaries.

Any loans, credit facilities and advances granted by the Bank and guarantees, pledges, pledge agreements and mortgages granted in favour of the Bank and signed at the time of these operations shall be evidenced by notarial deeds and / or Bank instruments, one copy of each shall be deposited as an official record in the Bank's files.

## 5.3 Interest, charges and costs

Stipulations as regards interest, charges and costs of the various types of loans and credit facilities shall be governed by special agreements entered into by the Client and the Bank and by the provisions of these General Terms and Conditions.

Unless otherwise provided, the Bank shall be entitled to decide, as a general measure, to change debit interest rates, if necessary.

If a Client overdraws one of his accounts without approval, such overdraft shall be liable for the following charges without formal notice:

- debit interest fixed by the Bank on the basis of current market conditions and that may be adjusted in accordance with general trends affecting interest rates, overdraft interest calculated *pro rata temporis* on the balance that exceeds the overdraft limit previously approved.

This provision may not be interpreted as authorising the holder of an account or the joint holder of a collective or joint account to have an overdraft.

Unless otherwise provided, debit interest, overdraft interest, costs and charges shall be debited from the Client's account and capitalized at the end of each quarter, i.e. on 31 March, 30 June, 30 September and 31 December of each year for corporate Clients, and on a monthly basis for Clients who are natural persons.

## 5.4 Documentary credits and collection

Unless agreed otherwise, documentary credits shall be governed by the "Uniform Customs and Practice for Documentary Credits" <UCP 600> published by the International Chamber of Commerce and by the clauses of these General Terms and Conditions.

The commercial terms shall be interpreted in accordance with the <Incoterms 2000> drawn by the International Chamber of Commerce.

All charges and commissions debited on the Client's Account shall not be repaid in the event of cancellation or non-utilization of the credit.

Unless otherwise agreed with the Client, the documentary collection is governed by the "Uniform Rules for Collections" <URC 522> published by the International Chamber of Commerce, and the trade terms are defined according to the "International rules for the Interpretation of the Most



Commonly Used Trade Terms in Foreign Trade <Incoterms 2000> drawn by the International Chamber of Commerce.

## **6 Commercial Paper**

### **6.1 General information about the collection and discounting of commercial paper**

After the Bank has accepted a Client's application, it shall be responsible for collecting and discounting all commercial paper, documents giving entitlement to a payment, both in Luxembourg and abroad, such as cheques, bills of exchange, promissory notes, receipts, etc.

The Bank shall not be liable for the consequences of the incorrect execution of the order where the remitter's instructions were unclear, incomplete or incorrect. Equally, it shall not be liable for the consequences of a correspondent's incorrect interpretation of instructions received. Furthermore, it shall not be liable in any way if the correspondent suspends payments.

The Bank shall not be liable for the authenticity of the information and signatures shown on the documents remitted for collection.

The Bank and its correspondents shall only be obliged to carry out the formalities and allow the time periods laid down by law to preserve the rights attached to the paper submitted for collection within the scope of their material possibilities. Therefore, the Bank shall not be liable for failure to comply with the time periods laid down for the submission for acceptance or payment, for the protests to be made, for notice of non-acceptance and non-payment or for the carrying out of corresponding formalities abroad.

### **6.2 Discounting**

The net amount of remittances shall only be credited to the remitter's account or paid to him after effective collection.

The remitter's account may nonetheless be credited, subject to reserve, after the Bank has received advice of collection from the correspondent. The Bank shall always have the possibility of automatically debiting the equivalent of the remittance from the account if it remains unpaid.

All advances granted by the Bank, increased by bad debt expenses, shall be borne by the remitter.

Bills denominated in foreign currencies that are not part of the Euro Zone and the amount of which must be converted into euros, shall be discounted at the applicable buying price, within the scope of the regulations in force. If the bill cannot be collected through the intermediary of a bank, it will be discounted in the best possible way. Any rectification due to a change in the exchange rate may always be made to the account subsequently.

Collections abroad shall take place at the remitter's risk. The Bank shall not be liable in the event of restrictions or measures which the Luxembourg or foreign authorities involved may introduce or impose.

This shall also be the case for repayments to which the remitter of the cheques or the bills of exchange may be bound pursuant to foreign statutory provisions relating to fraudulent imitation or falsification of signatures or information shown on these bills. The amount of bills returned in these conditions, increased by all costs generated by this remittance, may be debited from the remitter's account without said remitter's prior agreement.

The Bank reserves the right to accept cheques or other payment instruments in payment of the bill to be collected, without incurring liability if the cheques or other payment instruments are not honoured.

### **6.3 Amounts outstanding linked to a credit "subject to collection"**

The remitter shall bear the amount of any advances granted by the Bank on commercial paper remitted for collection (direct credit "subject to collection"), with the costs incurred if the paper is returned unpaid.

In addition, the Bank shall be entitled to hold the paper and to exercise all the rights relating thereto for the purpose of clearing any debit balance.

Late notice of non-payment shall only give the right to damages provided both that the remitter furnishes proof that the Bank has committed a serious fault and that the remitter suffered specific prejudice due to this fault.

In addition, the Bank shall be entitled to hold the paper and to exercise all the rights relating thereto for the purpose of clearing any debit balance.

## **7 Lombard Credits**

A Lombard credit consists of a temporary provision of cash.

It is intended either to finance investment in securities with the Bank or to finance other assets or activities outside the Bank.

The parties' rights and obligations shall be governed by a special Lombard credit agreement.

A Lombard credit shall be granted in consideration for the assets deposited with the Bank by the party or parties to which the loan is granted on the basis of a special agreement which shall determine the terms, conditions and specific features of this operation.

A Lombard credit may be granted in the form of a loan or a credit line. The amount of said credit shall be fixed on the basis of the value of the asset deposited with the Bank as security, exchange rates and risks, and the investments planned by the Client.

The Client shall pledge in favour of the Bank all eligible assets which are or shall be in the Bank's possession, for the purpose of guaranteeing the repayment of the principal, interest, costs and incidental expenses of any current or future receivable that the Bank holds or shall hold on the party or parties to which the credit is granted. This pledge shall include in particular titles representing property rights, debts or securities and receivables for sums of money that belong or will belong to the Client and with regard to which the Bank is or shall be the holder or the Client's debtor.

Repayment(s) shall be made in the currency in which the Lombard credit was granted.

## **8 Amendment of the General Terms and Conditions**

We may amend the General Terms and Conditions at any time but subject to a prior notice of at least thirty (30) days, or sixty (60) days in respect of a Consumer Client, by serving you a proper notification (including e-mail containing a pdf version of the revised terms and conditions and a hyperlink to the document available on our website and/or notification on the website and/or any other durable medium) in order to take into account any amendment to the legislation or regulations, changes in practices of financial institutions and changes in the market. We may also amend the General Terms and Conditions to take into account any additional services or to improve the services offered. We may unconditionally and irrevocably consider any amendment approved if we do not receive any written objection before the entry into force of any such amendment. If the Client does not agree with the proposed amendments, the Bank may have the right to terminate the contractual relationship with the Client.

By exception to the principles above:

- when informing you of any change in the collection or processing of your Personal Data, the Bank shall provide you the details required by articles 13 and 14 of the GDPR (both as defined below in Paragraph 1.17 of these General Terms and Conditions); and
- with respect to the collection or processing of your Personal Data which are carried out by the Bank on the lawful basis of your consent (as the case may arise), the changes will be subject to your express consent.

**THE LANGUAGE OF THE UNDERSIGNED DOCUMENTATION IS ASSUMED TO BE UNDERSTOOD BY THE CLIENT**

In case of any amendments to the above General Terms and Conditions, the Bank is kindly requested to notify the Client.

**I/we, as Client, accept all of the above information.**

Please select a language for future communications:

Chinese

English

**Signed by single or joint Account-Holders for Natural Person or by one or all authorized signatories for Legal Entity:**

Name

Signature:

Date:

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4

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**Special instruction(s) and signing arrangements**