

Credit Cards Agreement

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Credit Cards Agreement

1. Definitions

“Account” means the account for the Credit Card you have issued to me.

“Advance Customer” means I have qualified as an Advance customer or have been designated as an Advance customer by you or by the HSBC Group.

“Agreement” means this agreement and any supplementary terms for the provision of the Credit Cards Agreement published and amended by you from time to time.

“ATM” means automated teller machine.

“Bank Account” means each account I have with you (including any term deposit accounts).

“Credit Card” means any credit card you have issued to me, including, but not limited to, any Visa Card, MasterCard and the BermudaCard.

“Electronic Means” includes communications sent by email, facsimile, computer or by the use of scanned or digital signatures or any other electronic means.

“Fee Schedule” means the current fee and interest rate schedule provided by you from time to time.

“HSBC Group” means all entities in which HSBC Holdings plc holds, directly or indirectly, a controlling interest.

“I”, “me” and “my” mean myself as a client, and each person who has applied for any Service and my heirs, executors, administrators, successors and assigns.

“We”, “us” and “our” mean two or more persons who maintain a joint account.

“Instructions” means any instruction that is or reasonably appears to be given to you by me or my agent.

“Internet Banking” means your personal Internet banking service and includes online access to Account information, transferring funds between Accounts, bill payments, general information relating to rates and access to other electronic financial products and services authorised and/or provided by you.

“Personal Information” means any personally identifiable information about me.

“Premier Customer” means I have qualified as a Premier customer or have been designated as a Premier customer by you or by the HSBC Group.

“Services” means any and all of the financial and other services that you offer to me related to Credit Cards.

“Statement of Account” means a statement of account information showing Transaction(s) for my Account and includes monthly or periodic statements of account, including the summary of accounts viewed or viewable by me each time I access Internet Banking; a statement sent by you by mail or Electronic Means.

“Telephone Banking” means a service provided by you which allows me to perform certain Transactions related to my Account(s) over the telephone.

“Transactions” means a financial or other arrangement or exchange performed using a Credit Card, and includes a request for information about any Credit Card.

“You” and **“your”** means HSBC Bank Bermuda Limited and its subsidiaries.

Words in this Agreement that are in the singular include the plural and vice versa, unless the context requires otherwise.

In consideration of you providing me with a Credit Card, I agree to be bound by the following:

2. Rights and Responsibilities

I will sign the Credit Card and any replacement issued immediately upon receipt.

I agree that the Credit Card may only be used within the credit limit you have approved. If I exceed my credit limit, a charge for the amount over the credit limit will be applied in accordance with your Fee Schedule.

When applicable, I will sign the sale or cash advance slip every time the Credit Card is used. I understand that a failure to sign will not relieve me from responsibility for payment.

I undertake at all times to comply with Bermuda Exchange Control Regulations, and agree to notify you immediately of any change of residential or employment status.

I agree that you are not liable if the Credit Card is not honoured.

In the event of my death or bankruptcy, the outstanding balance on the Credit Card will become due and payable in full.

All Credit Cards remain your property at all times. I understand that you reserve the right to cancel any Credit Card without notice at your sole discretion. Upon being notified of such cancellation, I will return the Credit Card to you.

3. Statement of Account

Receipt of Statements: You will make available to me a Statement of Account

for each Account either by ordinary mail to my most recent address appearing on your records, Electronic Means or email address or through such other method as applicable to the Account. I will be deemed to have received a Statement of Account for the preceding month, whether I actually receive one or not, on the earlier of: the day I actually receive a Statement of Account; the day on which I become aware of facts that reasonably put me on enquiry as to the possibility of errors, omissions or irregularities affecting my Account including any fraud or unauthorised activity; or 10 (ten) days after the last day of each month whether I actually receive a Statement of Account or not. I will further be deemed to have received a Statement of Account each time I access Internet Banking. I understand that it is my obligation to make payments on my Credit Card balance by the payment due date, even if I do not receive the Statement of Account.

Review of Statements: I agree to examine every Statement of Account as soon as I receive it or am deemed to have received it. I will immediately and in any event no later than 15 (fifteen) days after receiving or being deemed to have received a Statement of Account, give notice to you of any errors, omissions or irregularities, including any fraud or unauthorised activity, included in or preceding each such Statement of Account. Unless objected to in writing within 15 (fifteen) days of the date on which the Statement of Account is received or is deemed to have been received by me, I agree that your records are conclusive evidence of my dealings with you regarding the Credit Card, and are correct, complete, authorised and binding upon me, and you will be released from all responsibility for Credit Card activity preceding the Statement of Account pertaining to such errors, omissions, irregularities, fraud or unauthorised activity, including your negligence (but excluding such due to your gross negligence or wilful misconduct).

Immediate Notice Requirement: If I become aware of facts that reasonably put me on enquiry as to the possibility of errors, omissions or irregularities affecting the Credit Card including any fraud or unauthorised activity, I will immediately notify you so as to prevent any ongoing fraud or unauthorised activity. If I fail to do so, any preventable subsequent losses will not be your responsibility.

Admissibility of Records: I will not object to the admission of your records, including Statements of Accounts, as evidence in any legal proceeding on the ground that such records are not originals, are not in writing, are hearsay, or are documents containing information extracted from a computer. In the absence of evidence to the contrary, your records are conclusive for all purposes, including litigation, in respect of any Instructions given by me to you, the making of a withdrawal through the use of a Credit Card, and any other matter or thing relating to the Statement of Accounts between me and you in respect of any Transaction.

4. Credit Card Charges

Interest charges are computed at the applicable interest rate on the average daily balance outstanding for my monthly billing cycle for my Credit Card when payment is not made in full in accordance with the Terms of Repayment (in accordance with Clause 5 – Terms of Repayment). I understand that interest charges will continue to accrue until I have paid the balance owing to you in full.

If my Account is overdue and referred for collection, then I will be responsible for the collection costs and any legal expenses incurred, and these charges will be payable by me on demand.

Credit Cards are valid through to the expiry date appearing on them. I understand that an annual fee will apply for each Credit Card I have with you. The annual fee will

be disclosed to me as set out in your Fee Schedule.

If a merchant sends you a credit voucher in respect of goods returned, you will upon receipt of the credit voucher from the merchant, credit the amount of the voucher to the Credit Card. I agree that any dispute or claim I may have against the merchant may not be the subject of set-off or counterclaim against you.

Account Charges / Set-Off: You can charge to any Account or set-off or compensate as between my Bank Accounts, any of my indebtedness or liabilities to you or any other member of HSBC Group even if this creates or increases an overdraft. I will be liable for any amount charged plus fees as applicable.

Annual Fee: I will be charged an annual fee in accordance with your Fee Schedule. If I do not pay my annual fee, I will be charged a late fee and interest. I understand that I will be charged interest on all outstanding amounts including late annual fees.

Late Fees: I will be charged a late fee on my Credit Card in the following circumstances:

- (a) if I do not make a payment; or
- (b) if the payment I make is less than the minimum payment required by the due date set out in my Statement of Account.

Interest: I will be charged interest on my Credit Card in the following circumstances:

- (a) if I have an outstanding balance; or
- (b) if I make a cash advance.

Overlimit: I will be charged an overlimit fee in accordance with your Fee Schedule that will be posted to my Credit Card for each transaction I make that exceeds the authorised credit limit on my Credit Card and for each transaction I make while the credit limit is exceeded.

Cash Advance: I will be charged a fee in accordance with your Fee Schedule for

each cash advance that I make. I will also be charged an interest in accordance to your Fee Schedule for the cash advance.

If I do not honour my payment obligations, you may, in your sole discretion, block or cancel the Credit Card or cancel this Agreement. If this happens, I will pay you interest plus a late fee.

5. Terms of Repayment

I may pay amounts due on my Accounts in the following ways: Internet Banking, Telephone Banking, ATMs, by standing order, at any of your branches, by mail, or any other means you make available to me.

6. Multiple Cardholders

I may request that you issue secondary Credit Cards for use on the Accounts to persons I may designate and I agree that this Agreement will apply to all other card holders. All secondary card holders will be deemed to be my agents and I will be responsible for all additional Credit Cards issued at my request as if I had used them personally.

The following paragraph applies to

Business Credit Cards: I will be responsible for all liabilities associated with Credit Cards issued at my request. For the purposes of this Agreement, the definition of "I", "me" and "my" and "we", "us" and "our" will include the customer listed in the Visa Business Card Application.

7. Lost or Stolen Cards and Unauthorised Transactions

I will immediately give you notice if the Credit Card (primary or supplementary) is lost or stolen, or the subject of unauthorised Transactions, even if the Credit Card is expired or cancelled, and provide further written notice to you as soon as possible, but in any event no later than 1 (one) week after the initial notification. I may be liable to

you for failing to report any unauthorised use of the Credit Card. I will not be responsible for any unauthorised charges to the Credit Card after notifying you that the Credit Card has been lost or stolen, or subject of an unauthorised Transaction. I will however be responsible for a deductible amount that will be disclosed to me as set out in your Fee Schedule. I will cooperate and assist you with any investigation undertaken. I will provide all relevant information surrounding the loss, theft, or suspected unauthorised Transaction.

8. Currency Exchange Fees and Taxes

For any Transaction relating to a currency other than the currency of the Account, you will convert the charges relating to the Transaction to the appropriate currency at the standard applicable exchange rate set by you at the time you complete the Transaction and my Account will be charged or credited, as applicable, for the converted amount in the currency of that Account, plus applicable fees and taxes.

Except for the BermudaCard, all Credit Cards are issued in United States dollars denomination unless stated otherwise.

9. Giving Instructions

Electronic Means and Telephone

Instructions: I authorise you to accept without any further verification, and I agree to be responsible for and indemnify you against and save you harmless from any damage you may suffer as a result of Instructions, agreements and documents for Transactions submitted to you by Electronic Means or telephone if you reasonably believe that the Instructions have come from me or my agent. I agree that what in your reasonable determination appears as my signature on Electronic Means Instructions or documents (whether or not actually signed by me) binds me legally and makes me responsible to

the same extent and effect as if I had given original signed Instructions (except if you have been grossly negligent or acted with wilful misconduct). There may be some types of Instructions or documents you will not accept by Electronic Means or telephone, and I understand that you reserve the right to refuse any Electronic Means or telephone Instructions or documents in your sole discretion.

10. Payment Screening

You and other members of the HSBC Group are required to act in accordance with HSBC policies, the laws and regulations operating in various jurisdictions which relate to the prevention of money laundering, terrorist financing and the provision of financial and other services to any persons or entities which may be subject to sanctions. You may take, and may instruct other members of the HSBC Group (and may be instructed by other members of the HSBC Group) to take any action which you, in your sole and absolute discretion, consider appropriate to take to comply with any such HSBC policies, laws and regulations to which you or any other member of the HSBC Group is subject. Such action may include but is not limited to: the interception and investigation of any payment messages and other information or Instructions sent to or by me or on my behalf via your systems or any other member of the HSBC Group's systems; and making further enquiries as to whether a name which might refer to a sanctioned person or entity actually refers to that person or entity.

Notwithstanding any provision of this Agreement, neither you nor any member of the HSBC Group will be liable for loss (whether direct, consequential or loss of profit, data or interest) or damage suffered by any party arising out of:

- (a) any delay or failure by you or any member of the HSBC Group in performing any of its duties under

this Agreement or other obligations caused in whole or in part by any steps which you, in your sole and absolute discretion, consider appropriate to take in accordance with all such HSBC policies laws and regulations; or

- (b) the exercise of any of your rights under this clause.

In certain circumstances, the action which you may take may prevent or cause a delay in the processing of certain information.

Therefore, neither you nor any member of the HSBC Group warrants that any information on your systems relating to any payment messages and Instructions which are the subject of any action taken pursuant to this clause is accurate, current or up-to-date at the time it is accessed, whilst such action is being taken. Subject to the overriding requirements of any applicable HSBC policies, laws and regulations, you will endeavour to notify me of the existence of such circumstances as soon as it is reasonably practicable.

11. Changes in Service

You can periodically, and without prior notice to me, change, discontinue or add any attributes of the Service and the procedures, hours of operation and other attributes of a Service. You will not be liable for any loss or damage suffered by me as a result of any change, discontinuance or addition of any attributes of the Service.

12. Changes to this Agreement

You can change this Agreement periodically without prior notice to me and will notify me of a change by, at your option:

- (a) displaying the notice at your branches, or ATMs or other locations designated by you for a period of 10 (ten) days;
- (b) mailing me a copy of the revised Agreement to my last known address;

- (c) providing written notice of the revised Agreement on my Statement of Account or sending me notice by electronic mail, or other electronic means; or
- (d) posting a copy of the revised Agreement on your website for a period of 10 (ten) days prior to its effective date.

If I wish, I can also obtain a copy of the revised Agreement at any of your branches.

If I conduct any Transaction or use the Service after the effective date of a change to this Agreement, it will mean that I agree to the terms of the revised Agreement for all Transactions thereafter.

13. Resolving Disputes

With You: If I have a dispute with you regarding any matter affecting my Account or my use of the Service or a Credit Card, I will bring it to your attention. I will not initiate any proceedings relating to any dispute arising from this Agreement, or use of my Accounts or Services until after I provide you with written notice of the nature of the dispute, and allow you 6 (six) weeks from the delivery of such notice to you to resolve the dispute to my satisfaction and any proceeding commenced in contravention hereof will be a nullity.

Disputes: I understand that if I have a dispute with you regarding any amount charged to my Credit Card, I am still responsible for all amounts outstanding from the date incurred unless you find a charge to be improper.

With Others: If I purchase goods or services from a merchant using a Service, I must settle any dispute regarding the goods or services directly with the merchant. You are not responsible for any problems with such goods or services.

14. Terminating this Agreement or the Service

The terms of this Agreement will survive the termination or withdrawal of Services and will continue to apply with respect to determination of responsibility and resolution of all disputes for events, acts or omissions occurring before or circumstances as exist as at the time of the termination or withdrawal. For example, you may subsequently: exercise your right of set-off for amounts due or accruing due to you as at the time of termination; use Personal Information that I have given to you prior to termination; or you or I can refer to and rely on this Agreement in resolution of any dispute.

You can withdraw or terminate my right to use any or all Services at any time without prior notice to me. You will have no liability to me for any loss or inconvenience that may result, unless such was caused by your gross negligence or wilful misconduct.

I can terminate this Agreement at any time upon written notice to you, and effective only when you receive the notice. I can give you notice at any of your branches at which I have an Account, or in any other way permitted by you. If I terminate this Agreement, I will immediately return to you all Credit Cards.

15. Consent Re: Personal Information

Personal Information including Credit Information: I agree that you, the HSBC Group and your service providers may, where permitted by law, collect my Personal Information, including credit reports and other financially-related information, from and disclose such Personal Information to each other and to 3rd (third) parties such as credit reporting agencies, and credit bureaus, and those income sources and personal references that I advise to you. You may collect and update my Personal Information during the course of our relationship. You

may disclose my Personal Information to companies within the HSBC Group and to promote the products and services of select 3rd (third) parties.

To prevent crime, verify my identity, recover debt and to meet your legal obligations, you may exchange information (both within Bermuda and, where appropriate, overseas) with other members of the HSBC Group and where appropriate, with fraud prevention, law enforcement, debt recovery agencies and other organisations including other lenders.

If I give you false or inaccurate information and fraud is identified, details will be passed to fraud prevention agencies to prevent fraud and money laundering.

The HSBC Group may use and share relevant information about me, my Transactions and my relationships with the HSBC Group for credit assessment, customer service, market research, insurance, debt collection, audit and administrative purposes. This may include information provided by me, or someone acting on my behalf. Where appropriate (for example if I have relationships with other HSBC Group companies in other countries), this information may be shared with HSBC Group companies outside Bermuda.

You may use other HSBC Group companies and/or 3rd (third) parties to provide Services on your behalf which may include the processing of information about me.

Whether it is processed in Bermuda or overseas, my information will be protected, by a strict code of secrecy and security which all members of the HSBC Group, their staff and any 3rd (third) parties are subject to.

Information may also be processed for the purposes of complying with applicable laws, including anti-money laundering and anti-terrorism laws and regulations and fighting crime and terrorism. This may

require the disclosure of information to a Bermuda or overseas governmental or regulatory authorities or to any other person you reasonably think necessary for these purposes.

For more information about the principles of privacy observed by you, I will consult your Privacy Statement, available at your nearest branches or www.hsbc.bm.

16. Governing Law

This Agreement and the Services and issues relating to the operation of the Credit Card will be governed exclusively by the laws of Bermuda and I hereby agree to exclusively attorn to and be bound by the courts of Bermuda.

17. General Terms

Notices: Except as expressly set forth in this Agreement or requested by you, all notices required to be given under this Agreement will be in writing and communicated by postal mail, courier or hand delivery. If by postal mail, the document is deemed received 5 (five) calendar days after posting.

Severance: If any part of this Agreement is held unenforceable for any reason, the unenforceable portion of this Agreement will not affect the enforceability of the remainder of this Agreement, which will continue in full force and effect as if this Agreement had been executed without the unenforceable portion.

No Waiver: No waiver by you of any breach or default under this Agreement will be deemed to be a waiver of any preceding or subsequent breach or default.

THIS VERSION OF THIS AGREEMENT IS IN EFFECT SINCE 4 MARCH 2011.

www.hsbc.bm

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