

ANZ CLEARING SERVICES

COUNTRY SCHEDULE – HONG KONG

This Country Schedule forms part of the Terms and Conditions and shall be effective from the date ANZ opens an Account for, or provides an ANZ Service to, Correspondent pursuant to those Terms and Conditions.

For ANZ Services provided in Hong Kong, the relevant ANZ Group Member and "ANZ" means Australia and New Zealand Banking Group Limited, Hong Kong Branch and, for the avoidance of doubt, the ANZ Location is Hong Kong and the Governing Jurisdiction is the laws of Hong Kong.

The Terms and Conditions as applicable to those ANZ Services are amended, supplemented and varied as follows. Capitalized terms used in this Country Schedule and not otherwise defined have the meanings ascribed to them in the Terms and Conditions.

1.1 Definition and Interpretation

- (a) The following definitions are deemed to be deleted from Clause 20.1 of the Terms and Conditions, and shall be replaced with the following definitions:

"Account" means the RMB Account.

"Rules" means, the industry or Payment System rules applicable to Payments together with all rules and requirements applicable to or implied into Payments by other generally accepted banking practice or Law in the ANZ Location or any applicable laws, rules, regulations, court orders, policies, circulars guidelines issued or imposed by any Authority.

- (b) The following definition is deemed to be inserted in Clause 20.1 of the Terms and Conditions:

"Base Lending Rate" means CNY HIBOR Overnight rate + 2%

"China's National Advanced payment System (CNAPS)" means China's Real Time Gross Settlement (RTGS) system.

"HIBOR" means Hong Kong Interbank Offer Rate.

"HKMA" means Hong Kong Monetary Authority.

"PBOC" means People's Bank of China.

"PRC" means the People's Republic of China.

"Qualified" means message format meets CNAPS formatting requirements.

"RMB" means the Renminbi, the lawful currency of PRC (also referred to as Chinese Yuan **CNY**).

"Unqualified" means message format not meeting CNAPS formatting requirement.

1.2 Cancellation

- (a) Where the Correspondent requests a cancellation or amendment of a payment but the payment has already been effected, ANZ may (but is not obliged to) approach the beneficiary for the return of funds, either directly (in the case the beneficiary is a customer of ANZ) or through the beneficiary's bankers (if the account is maintained with another bank). For the avoidance of doubt, ANZ shall not be held responsible if the beneficiary refuses to return the funds.

1.3 Overdraft

ANZ may (but is not obliged to), agree to overnight or longer period of overdrafts. In the event ANZ agrees to provide temporary overdrafts in accordance with this clause, interest shall be chargeable and shall be calculated based on the actual number of days elapsed and on a 360-day year at the Base Lending Rate plus 2% p.a. The maximum tenor allowed for an overdraft is 30 days. Interest shall be chargeable on daily basis. Any fees and interest payable under this clause shall be payable immediately on demand by ANZ.

1.4 Payments to Beneficiaries in Mainland China

- (a) The Correspondent acknowledges that the clearing of Renminbi by ANZ is subject to Law.

The Correspondent acknowledges and agrees that Rules and Regulations in PRC apply restrictions on RMB payments to beneficiaries in Mainland China and a payment to a beneficiary in Mainland China may be rejected or returned by the beneficiary bank if the beneficiary bank is unable to satisfy itself that the payment meets the PBOC requirement.

- (b) The Correspondent further acknowledges and agrees:
- (i) That ANZ may be required to provide documents evidencing the authenticity of an underlying trade transaction to a mainland correspondent bank or a competent Authority and to that end, the Customer undertakes upon request from ANZ, to use its best endeavours to procure the provision of such documentary evidence from the remitter making the RMB payment to a beneficiary in Mainland China as requested within 2 Business Days;
 - (ii) To have in place Know Your Customer procedures, with respect to each RMB payment to a beneficiary in Mainland China, to ascertain to the best of its ability that each payment has a genuine underlying trade transaction purpose; and
 - (iii) Where required to obtain documents/evidence regarding such underlying trade transactions (including its underlying transaction and purpose) it shall retain such evidence for at least seven (7) years from the date of the relevant RMB payment.

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- (c) ANZ has the right to unwind the transaction if:
 - (i) The Correspondent is unable to provide the documentary evidence as requested by ANZ within a reasonable period of time;
 - (ii) HKMA requires unwinding; or
 - (iii) ANZ determines, in its reasonable opinion, the RMB payment into Mainland China does not have a genuine underlying trade transaction purpose.
- (d) The Correspondent agrees:
 - (i) For RMB payments into Mainland China, it shall comply with the appropriate formatting requirement in Field 72 of the SWIFT message as agreed in Service Level Agreement; and
 - (ii) the SWIFT MT103 shall include the 12 digit beneficiary bank CNAPS code at the account number field in the message body after the national code "/CN".

1.5 Bank Drafts and Cheques

- (a) Clause 5 of the Terms and Conditions is deleted in its entirety.

1.6 Liability and Indemnity

- (a) Clause 7(b) of the Terms and Conditions is deleted and replaced with:

Correspondent will indemnify (and continue to indemnify) ANZ for and against, any Loss incurred by ANZ or any of its affiliates, agents or customers in connection with:

- (i) ANZ exercising or performing any of its rights or obligations under any Relevant Document;
- (ii) any failure, delay or refusal by Correspondent to comply with any Relevant Document;
- (iii) ANZ unwinding any of the transaction in accordance with Clause 1.7 of the Hong Kong Country Schedule (Payments to Beneficiaries in Mainland China);
- (iv) ANZ relying solely on the beneficiary bank's CNAPS code and/or other SWIFT instruction received from the Correspondent; or
- (v) the items listed in Clause 7 (a) of the Terms and Conditions.

1.7 Fees and Taxes

- (a) New paragraph (e) shall be added to Clause 10.2 of the Terms and Conditions (Costs, Taxes and Expenses):

"ANZ may be required by Law or agreement or arrangement with any local or foreign Authority to deduct or withhold from payments made to Correspondent in connection with an Account. Where ANZ is required to make a deduction or withholding, Correspondent acknowledges and agrees that the relevant payment will be reduced by the amount of that deduction or withholding."

- (b) Clause 10.3 of the Terms and Conditions is deemed to be amended as follows:

"Correspondent hereby authorises ANZ to debit the Account advised by Correspondent to ANZ to be the Account to which any amounts payable by Correspondent under a Relevant Document, these Terms and Conditions or the Product Terms should be debited. ANZ is authorized to debit fees, interests, taxes and any other sums payable by the Correspondent accrued in the previous month against the Account within 5 Business Days at the beginning of each month for the service provided in the previous month."

1.8 Confidentiality and Disclosure

Clause 13 of the Terms and Conditions is deleted and replaced with:

- (a) Each party agrees to keep confidential all information received relating to the other party and shall not use such information for any reason other than contemplated by the Terms and Conditions.
- (b) Notwithstanding the above, each party may disclose such information to:
 - (i) any member of the ANZ Group Member;
 - (ii) any agent, service provider or professional advisor of ANZ or ANZ Group member who is under a duty of confidentiality to ANZ or ANZ Group Member;
 - (iii) any relevant Authority or to any person where required to do so pursuant to any requests or requirement (whether or not having any force of law) of any government, quasi-government, administrative, regulatory or supervisory body or authority, court or tribunal in any country, court order or any subpoena;
 - (iv) any correspondent bank which ANZ uses to make payment for the purpose of compliance with any Rules;
 - (v) any actual or potential assignee or transferee of the party's rights or obligations under this Terms and Conditions (of any of its agents or professional advisors);
 - (vi) any rating agency, insurer or insurance broker, or direct or indirect provider of credit protection; or
 - (vii) any other person with the other party's prior written consent.

1.9 Termination for Fault

Clause 16.3 of the Terms and Conditions is deemed to be amended as follows:

A party (the "Terminating Party") may terminate a Relevant Document:

- (a) immediately by written notice if:
 - (i) the other party commits a material breach of the Relevant Document;

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- (ii) an Insolvency Event occurs in relation to the other party;
 - (iii) acting under the Relevant Document would cause that party to be in breach of any applicable Law, Sanction or requirement of any competent Authority;
 - (iv) ANZ is aware that any Law or government approvals/requirements in accordance of which the Account is opened have expired, revoked, or amended;
 - (v) there is a material adverse change in Correspondent's financial position which ANZ, in its sole and absolute discretion, has determined may affect Correspondent's ability to comply with its obligations under this Agreement;
 - (vi) required to do so in compliance with any Law, Sanction or requirement of any competent Authority or any internal policy; and
- (b) by 10 days' written notice if:
- (i) there is a material change in ownership or control of either party; or
 - (ii) the other commits a breach (which is not a material breach) of the Relevant Document and the Terminating Party has given written notice of the breach and the other has failed to remedy the breach within 30 days or such longer period as is specified in the notice.

1.10 Correspondent Undertaking

A new paragraph (f) shall be added to Clause 9.2 of the Terms and Conditions:

- (a) **(Rules and Regulations):** Correspondent undertakes that it shall comply with all Rules applicable to it (including without limitation Rules made by competent regulatory authorities of PBOC or HKMA or elsewhere from time to time)

1.11 Data Protection

The Correspondent agrees that ANZ's applicable data policies and its other communications concerning data issued from time to time shall apply to all information provided by the Correspondent. A copy of ANZ's Data Policy Notice has been provided to the Correspondent with the Terms and Conditions and forms part of the Terms and Conditions as if set out here in full. Copies of ANZ's Data Policy Notice and the ANZ's Opt Out form are available on request, at branches and from the website (<http://www.anz.com/hongkong>). The Correspondent agrees that all of its information now provided or which ANZ obtains from other sources or from ANZ's relationship with the Correspondent will be subject to ANZ's Data Policy Notice and/or communications (as may be varied from time to time)

1.12 Deposit Protection Scheme

ANZ is required under Hong Kong Deposit Protection Scheme (Representation on Scheme Membership and Protection of Financial Products Under Scheme) Rules to inform the Correspondent that ANZ is a member of the Deposit Protection Scheme ("**Scheme**") in Hong Kong and eligible deposits taken by the Bank will be protected by the Scheme up to a maximum limit of HK\$500,000 per depositor. Any financial or deposit products offered to the Correspondent

- (i) by ANZ, which do not constitute protected deposits under the Deposit Protection Scheme Ordinance and
- (ii) by any ANZ Group Member other than ANZ are not protected by the Scheme notwithstanding ANZ is a member of the Scheme.