

# Relationship Terms of Business- SWIFT

KUWAIT

## 1. TERMS OF BUSINESS

1.1 These Terms of Business (the “**Terms of Business**”), together with any other terms entered into at any time (whether before or after these terms of business, whether express or implied and as amended or supplemented) (“**Other Terms**”), will govern your banking relationship with HSBC Bank Middle East Limited (“**HSBC**” or “**we**”) and the Services you receive from HSBC.

1.2 These Terms of Business govern how HSBC will use your and your Connected Persons’ information.

1.3 These Terms of Business will (i) supplement any Other Terms and will (ii) supersede and prevail over any Other Terms concerning the subject matter covered by these Terms of Business, to the extent of any conflict or inconsistency.

### 1.4 INTERPRETATION

References to “the **Customer**” or “**you**” shall mean the legal entity that has received these Terms of Business.

## 2. COLLECTION, PROCESSING AND SHARING OF CUSTOMER INFORMATION

By using the Services, you agree that we and members of the HSBC Group may collect, process, use, share, disclose or transfer Customer Information in accordance with these Terms of Business.

2.1. Customer Information will not be disclosed to anyone, other than where:

- (a) HSBC is legally required to disclose;
- (b) HSBC has a public duty to disclose;
- (c) HSBC’s or, subject to the applicable laws and regulations of the Country, a third party’s legitimate business purposes require disclosure; or
- (d) the disclosure is made in accordance with these Terms of Business or any other Customer consent.

### 2.2 COLLECTION

HSBC and other members of the HSBC Group may collect, use and share Customer Information (including relevant information about you, your transactions, your use of HSBC’s products and services, and your relationships with the HSBC Group). Customer Information may be requested from you (or a person acting on your behalf), or may also be collected by or on behalf of HSBC, or members of the HSBC Group, from other public or private sources or combined with other information available to HSBC or any member of the HSBC Group.

### 2.3 PROCESSING

HSBC and members of the HSBC Group will process, transfer and disclose Customer Information for the following purposes: (a) providing Services and for any transactions requested, instructed or authorised by you, (b) meeting Compliance Obligations, (c) conducting Financial Crime Risk Management Activity, (d) collecting any amounts due from you, (e) conducting credit checks and obtaining or providing credit references, (f) enforcing or defending HSBC’s, or a member of the HSBC Group’s, rights, (g) for internal operational requirements of HSBC or the HSBC Group (including, without limitation, credit and risk management, system or product development and planning, insurance, audit and administrative purposes), (h) maintaining HSBC’s overall relationship with you (including marketing or promoting financial services or related products to you and market research), (the “**Purposes**”).

### 2.4 SHARING

By using the Services, you agree that HSBC may transfer and disclose any Customer Information to the following recipients (who may also process, transfer and disclose such Customer Information), as may be necessary and appropriate for the Purposes:

- (a) any member of the HSBC Group;
- (b) any sub-contractors, agents, service providers, or associates of the HSBC Group (including their employees, directors and officers);
- (c) any Authority;
- (d) anyone acting on your behalf, payment recipients, beneficiaries, account nominees, intermediary, correspondent and agent banks, clearing houses, clearing or settlement systems, market counterparties, upstream withholding agents, swap or trade repositories, stock exchanges, companies in which you have an interest in securities (where such securities are held by HSBC for you);
- (e) any party acquiring an interest in or assuming risk in connection with the Services;
- (f) other financial institutions, credit reference agencies or credit bureaus, for obtaining or providing credit references;
- (g) any third party fund manager who provides asset management services to you;
- (h) any introducing broker to whom HSBC provides introductions or referrals; and/or
- (i) in connection with any HSBC business transfer, disposal, merger or acquisition;

wherever located, including in jurisdictions which do not have data protection laws that provide the same level of protection as the jurisdiction in which the Services are supplied.

### 3. CUSTOMER OBLIGATIONS

- 3.1 You agree to inform HSBC promptly, and in any event within 30 days in writing if there are any changes to Customer Information supplied to HSBC or a member of the HSBC Group and to respond promptly to any request from HSBC or a member of the HSBC Group for updated or additional information.
- 3.2 You confirm that every Connected Person whose Customer Information has been provided to HSBC or a member of the HSBC Group has been notified of and agreed to the processing, disclosure and transfer of their information as set out in these Terms of Business. You shall advise Connected Persons that they may have rights of access to, and correction of, their Personal Data.
- 3.3 Where:
  - (a) you fail to provide Customer Information that HSBC reasonably requests, or
  - (b) you withhold or withdraw any consents which HSBC may need to process, transfer or disclose Customer Information for the Purposes, or
  - (c) HSBC or a member of the HSBC Group has suspicions regarding the possible commission of Financial Crime or you present a potential Financial Crime risk to a member of the HSBC Group,

HSBC may:

- i) be unable to provide new, or continue to provide all or part of the, Services to you and reserves the right to terminate its business relationship with you;
- ii) take actions necessary for HSBC or a member of the HSBC Group to meet the Compliance Obligations; and/or
- iii) block, transfer or close your account(s).

In addition, the failure to supply your or your Connected Person's Tax Information may result in HSBC making its own decision with respect to your status, including whether to report you to a Tax Authority, and may require HSBC or other persons to withhold and pay such amounts as may be legally required by any Tax Authority.

### 4. DATA PROTECTION

Customer Information will be protected by a strict code of secrecy and security to which all members of the HSBC Group, their staff and third parties are subject.

## 5. FINANCIAL CRIME RISK MANAGEMENT ACTIVITY

- 5.1 HSBC, and members of the HSBC Group, are required, and may take any action they consider appropriate in their sole and absolute discretion, to meet Compliance Obligations in connection with the detection, investigation and prevention of Financial Crime ("**Financial Crime Risk Management Activity**").

Such action may include, but is not limited to: (a) screening, intercepting and investigating any instruction, communication, drawdown request, application for Services, or any payment sent to or by you, or on your behalf, (b) investigating the source of or intended recipient of funds (c) combining Customer Information with other related information in the possession of the HSBC Group, and/or (d) making further enquiries as to, or confirming the status or identity of a person or entity or whether they are subject to a sanctions regime.

- 5.2 To the extent permissible by law, neither HSBC nor any other member of HSBC Group shall be liable to you or any third party in respect of any Loss incurred by you or a third party in connection with the delaying, blocking or refusing of any payment or the provision of all or part of the Services or otherwise as a result of Financial Crime Risk Management Activity.

- 5.3 By using the Services you confirm that:

- (a) you have in place appropriate money laundering and terrorist financing detection, monitoring and reporting systems;
- (b) you have internal policies and procedures in place in connection with your customers that require you to undertake due diligence in respect of your customers and banking relationships;
- (c) you maintain KYC documentation in respect of all your customers and banking relationships in accordance with the Financial Crime Obligations applicable to you; and
- (d) you conduct appropriate due diligence on your employees, contractors, agents and other personnel as well as your own customers and their representatives to a level which complies with Financial Crime Obligations applicable to you; and
- (e) you have not received any written communication indicating or alleging that you or any of your group members is or may be in violation of, or may be subject to any investigation, disciplinary proceeding or inquiry by, order, decree, decision or judgment of any Authority related to Financial Crime. If you do receive such written communication you undertake to provide details of such written communications to HSBC as soon as reasonably practicable.

## 6. TAX COMPLIANCE

You (for yourself and each of your Connected Persons) acknowledge that you are solely responsible for understanding and complying with your tax obligations (including but not limited to, tax payment or filing of returns or other required documentation) in all jurisdictions in which those obligations arise and relating to the opening and use of account(s) and/or Services provided by HSBC and/or members of the HSBC Group. Certain countries may have tax legislation with extra-territorial effect regardless of your or any Connected Person's place of domicile, residence, citizenship or incorporation. Neither HSBC nor any other member of the HSBC Group provides tax advice. You are advised to seek independent legal and/or tax advice. HSBC and/or any member of the HSBC Group has no responsibility in respect of your tax obligations in any jurisdiction including, without limitation, any that may relate specifically to the opening and use of account(s) and/or Services provided by HSBC and/or members of the HSBC Group.

## 7. MISCELLANEOUS

### 7.1 SURVIVAL UPON TERMINATION

These Terms of Business shall survive any termination by HSBC or a member of the HSBC Group of the provision of any Services to you or the closure of your accounts.

### 7.2 VARIATION

HSBC may make amendments to these Terms of Business which will become effective on 30 days' notice to you. Any such notice may be given to you in writing or by publishing such amendments on our website at <http://www.business.hsbc.com.kw/>. However, we may, in exceptional circumstances, make amendments to these Terms of Business at any time in order to comply with any law or regulation, which will become effective immediately on notice to you.

### 7.3 ASSIGNMENT

The obligations under these Terms of Business bind you and your respective successors, permitted assigns and personal representatives as applicable. You may not novate or assign any of your rights and/or obligations under these Terms of Business without our prior written consent.

### 7.4 NOTICE

In proving service or delivery of a relevant notice to you under these Terms of Business, it shall be sufficient for HSBC to prove that it was correctly addressed and was posted, delivered or transmitted to the address last notified by you to HSBC.

You confirm that, for this purpose, you have regular access to the internet and consent to HSBC providing you with information by posting such information on HSBC's website at [www.hsbc.com](http://www.hsbc.com).

### 7.5 WAIVER

In the event that any party fails, or delays, to exercise a right under these Terms of Business, that party may still exercise that right later. Any waiver or any right shall be in writing and limited to the specific circumstances.

### 7.6 SEVERABILITY

Each provision of these Terms of Business is severable and if any provision is or becomes illegal, invalid or unenforceable in any jurisdiction, that provision is severed only in that particular jurisdiction. All other provisions shall continue to have effect.

### 7.7 FURTHER ASSURANCES

You shall from time to time execute such documents and perform such acts and things as we may reasonably require to give full effect to these Terms of Business.

## 8. GOVERNING LAW AND JURISDICTION

8.1 These Terms of Business and any non-contractual obligations arising out of or in connection with them shall be governed by the laws of Kuwait and the parties submit to the exclusive jurisdiction of the courts of Kuwait.

8.2 A person who is not a party to these Terms of Business has no right to enforce any term of the Terms of Business.

## 9. CUSTOMER ACCEPTANCE

The Terms of Business will become effective 30 days from the date of your receiving notice of them.

**SCHEDULE – DEFINITIONS**

**Authority** means any judicial, administrative or regulatory body, any government, or public or government agency, instrumentality or authority, any Tax Authority, securities or futures exchange, court, central bank or law enforcement body, or any agents thereof, having jurisdiction over any part of the HSBC Group.

**Compliance Obligations** means obligations of any member of the HSBC Group to comply with: (a) any Laws or international guidance and internal policies or procedures, (b) any valid demand from an Authority or reporting, disclosure or other obligations under any Law and (c) Laws requiring HSBC to verify the identity of our customers.

**Connected Person** means a person or entity whose information (including Personal Data or Tax Information) is requested by HSBC or provided by, or on behalf of, you to any member of the HSBC Group or otherwise received by any member of the HSBC Group in connection with the provision of the Services. In relation to you, a Connected Person may include, but is not limited to, your guarantor, a director or officer of a company, partners or members of a partnership, any Substantial Owner, Controlling Person, or beneficial owner, trustee, settlor or protector of a trust, account holder of a designated account, payee of a designated payment, representative, your agent or nominee, or any other persons or entities having a relationship to you that is relevant to your banking relationship with the HSBC Group.

**Controlling Persons** generally means individuals who exercise control over an entity (for a trust, these are the settlor, the trustees, the protector, the beneficiaries or class of beneficiaries, and any other individual who exercises ultimate effective control over the trust, and in the case of a legal entity other than a trust, such term means persons in equivalent or similar positions of control).

**Customer Information** means Personal Data, confidential information, and/or Tax Information of either you or a Connected Person, including accompanying statements, waivers and consents.

**Economic Sanctions Law** means any law, codes, regulations, decrees, orders, decisions, rules, international guidance, internal policies and procedures, and/or requests of public, regulatory or industry authorities or courts of any nature relating to or requirements of any nature relating to economic or financial sanctions or restrictive measures which are administered from time to time by the relevant regulator in any jurisdiction in which HSBC Group operates a branch in the Middle East, the United Nations, the United States Office of Foreign Assets Control, the United States State Department, the European Union or any member state thereof, the State of Jersey (including the Jersey Financial Services Commission), the Asset Freezing Unit of Her Majesty's Treasury, or any other national or supranational economic sanctions authority regulating the behavior of HSBC Group;

**Financial Crime** means money laundering, terrorist financing, bribery, corruption, tax evasion, fraud, evasion of economic or trade sanctions, and/or violations, or attempts to circumvent or violate any Laws or regulations relating to these matters.

**Financial Crime Risk Management Activity** means (i) any Economic Sanctions Law or (ii) any applicable anti-money laundering, anti-terrorist financing and anti-bribery and corruption law or regulation of any country.

**Financial Crime Risk Management Activity** has the meaning set out in clause 5.1.

**HSBC** means HSBC Bank Middle East Limited.

**HSBC Group** means HSBC Holdings plc, and/or any of, its affiliates, subsidiaries, associated entities and any of their branches and offices, and "any member of the HSBC Group" has the same meaning.

**Loss** means any claim, charge, cost (including, but not limited to, any legal or other professional cost), damages, debt, expense, tax, loss liability, obligation, allegation, suit, action, demand, cause of action, proceeding or judgment, however calculated or caused, and whether direct or indirect, consequential, punitive or incidental.

**Personal Data** means any data relating to an individual (and corporate entities, in those countries where data privacy law applies to corporates), from which the individual can be identified, including, without limitation, sensitive personal data, name(s), residential address(es), contact information, age, date of birth, place of birth, nationality, citizenship, personal and marital status.

**Services** means, without limitation, (a) the opening, maintaining and closing of your bank accounts, (b) the provision of credit facilities and other banking products and services to you (including, for example, securities dealing, investment advisory, broker, agency, custodian, clearing or technology procuring services), processing applications, ancillary credit assessment and product eligibility assessment, and (c) the maintenance of HSBC's overall relationship with you, including marketing or promoting financial services or related products to you, market research, insurance, audit and administrative purposes.

**Substantial Owner** means any individual entitled to more than 10% of the profits of or with an interest of more than 10% in an entity either directly or indirectly

**Tax Authorities** means domestic or foreign tax, revenue, fiscal or monetary authorities.

**Tax Certification Forms** means any forms or other documentation as may be issued or required by a Tax Authority or by HSBC from time to time to confirm the tax status of an account holder or a Connected Person.

**Tax Information** means any documentation or information (including related statements, waivers or consents) relating, directly or indirectly, to the tax status of a Customer and any Connected Person that HSBC considers, acting reasonably, is needed to comply (or demonstrate compliance, or avoid non-compliance) with any HSBC Group member's obligations to any Tax Authority and includes, but is not limited to, information about: tax residence and/or place of organisation (as applicable), tax domicile, tax identification number, Tax Certification Forms, certain Personal Data (including name(s), residential address(es), age, date of birth, place of birth, nationality, citizenship).