

1. Definitions

(a) In this Agreement, unless the context otherwise requires, the following expressions have the following meanings:-

- (i) "Approved Securities Dealer" means Chong Hing Securities Limited and/or such other securities dealer(s) as the Bank may approve at its absolute discretion.
- (ii) "Bank" means Chong Hing Bank Limited, its successors and assigns.
- (iii) "Bank Account" means an account of the Cardholder (other than a Card Account) maintained with the Bank through which the Cardholder is entitled to effect Banking Transaction.
- (iv) "Banking Transaction" means a transaction effected through a Bank Account by the use of the Card and the PIN.
- (v) "Card" means, as appropriate, any VISA/MasterCard credit card or any affinity card or any other credit card or card product issued by the Bank alone or in conjunction with any other Person to a Cardholder from time to time, either as a Principal Card or as a Supplementary Card.
- (vi) "Card Account" means the account opened and maintained with the Bank in connection with the use of the Card (including the Principal Card and any Supplementary Card) and/or the Virtual Card (including the Principal Virtual Card and any Supplementary Virtual Card) and reference to "Card Account" shall include Virtual Card Account. The expression "joint account" means the account opened and maintained with the Bank in the name of the Principal Cardholder in respect of the Principal Card and all Supplementary Card(s) and/or (as the case may be) in respect of the Principal Virtual Card and all Supplementary Virtual Card(s).
- (vii) "Cardholder" means the Person in whose name a Card/Virtual Card is issued by the Bank (including in the case of a joint account, the Principal Cardholder and any Supplementary Cardholder) and, where the context permits or requires, his personal representative(s) and lawful successor(s).
- (viii) "Charges Table" means the schedule setting out the annual fees, finance charges, cash advance fee, late payment charge and other fees and charges from time to time in force and applicable to the Card.
- (ix) "Designated Scheme" means the scheme from time to time designated by the Bank for promotion of goods and/or services.
- (x) "Hong Kong" means the Hong Kong Special Administrative Region of the People's Republic of China.
- (xi) "Minimum Payment" means such minimum amount of the Statement Balance as the Bank may specify from time to time at its sole discretion which shall be paid by the Cardholder to the Bank on or before each Payment Due Date provided under Clause 7(a).
- (xii) "Payment Due Date" means the date on which the Statement Balance is due and payable by the Cardholder to the Bank as indicated in the Statement.
- (xiii) "PDP Ordinance" means the Personal Data (Privacy) Ordinance, Chapter 486 of the Laws of Hong Kong.
- (xiv) "Person" means any individual, corporation, firm,

- company, institution, or other natural or legal person whatsoever.
- (xv) "PIN" means, in relation to a Cardholder, the personal identification number for the time being provided by the Bank to a Cardholder or selected by a Cardholder to enable the Cardholder to gain access to certain Terminals, the Bank Account, the Card Account and/or other services provided by the Bank from time to time.
 - (xvi) "Principal Card" means a Card issued to a Principal Cardholder.
 - (xvii) "Principal Cardholder" means a Cardholder at whose joint requests with another Person a Supplementary Card and/or a Supplementary Virtual Card is issued to that other Person, and in whose name a joint account is opened and maintained with the Bank.
 - (xviii) "Principal Virtual Card" means a Virtual Card issued to a Principal Cardholder.
 - (xix) "Securities Trading Account" means one or more designated account(s) or sub-account(s) opened and/or maintained by the Cardholder with the Approved Securities Dealer and approved by the Bank for the sale, purchase, holdings, settlement and other dealings in securities by such Cardholder with or through the Approved Securities Dealer from time to time.
 - (xx) "Securities Trading Transaction" means any dealing or transaction in securities made or to be made on the designated Securities Trading Account.
 - (xxi) "Statement" means a monthly statement and other statement of account sent by the Bank to a Cardholder, setting out the amount then due to the Bank in respect of the Card Account from time to time.
 - (xxii) "Statement Balance" means the debit balance of the Card Account for any month owed by the Cardholder to the Bank in respect of Transactions as shall be specified by the Bank in the relevant Statement.
 - (xxiii) "Supplementary Card" means a Card from time to time issued by the Bank to a Supplementary Cardholder at the joint requests of such Supplementary Cardholder and the Principal Cardholder.
 - (xxiv) "Supplementary Cardholder" means a Person to whom a Card and/or a Virtual Card is issued at the joint requests of the Principal Cardholder and that Person.
 - (xxv) "Supplementary Virtual Card" means a Virtual Card from time to time issued by the Bank to a Supplementary Cardholder at the joint request of such Supplementary Cardholder and the Principal Cardholder.
 - (xxvi) "Terminal" means any automated teller machine, dial terminal, electronic data capture terminal, smart card terminal or other point-of-sale terminal installed by the Bank or other Person through which Transactions may be effected.
 - (xxvii) "Transaction" means any transaction effected through the Card Account or the use of the Card and/or the Virtual Card and reference to "Transaction" shall include Virtual Card Transaction and Securities Trading Transaction.

- (xxviii) "Virtual Card" means the credit card product and/or service offered by the Bank to a Cardholder from time to time (including Principal Virtual Card and its Supplementary Virtual Card) by means of a Virtual Card Account Number where no physical card will be issued in respect thereof and shall include VISA/MasterCard Virtual Card or other Virtual Cards from time to time issued by the Bank alone or in conjunction with any other institution.
 - (xxix) "Virtual Card Account" means an account opened and maintained with the Bank in connection with the use of the Virtual Card.
 - (xxx) "Virtual Card Account Number" means the account number assigned by the Bank to the Cardholder in respect of a Virtual Card enabling the Cardholder to make Virtual Card Transactions which are to be settled under the Virtual Card Account.
 - (xxxi) "Virtual Card Transaction" means any hire or purchase of goods and/or services effected through the Virtual Card Account or by the use of the Virtual Card Account Number via internet, telephone, fax, mail orders, computer, telecommunication, wireless, similar access device or other means as the Bank may from time to time determine (as the case may be).
 - (xxxii) "PRC" means the People's Republic of China.
- (b) In this Agreement, unless the context requires otherwise:-
- (i) words denoting one gender shall include all other genders;
 - (ii) words denoting the singular shall include the plural and vice versa;
 - (iii) references to any statute or statutory provisions shall where the context so admits or requires be construed as references to those provisions as respectively amended, consolidated, extended or re-enacted from time to time;
 - (iv) references to clauses and provisions are references to clauses and provisions of this Agreement; and
 - (v) references to this Agreement and any document referred to herein are references to this Agreement and such document as from time to time amended, supplemented, novated, restated or replaced and any document which amends, supplements, novates, restates or replaces this Agreement or such document (as the case may be).
- (c) Headings are inserted for convenience only and shall not affect the construction of this Agreement.

2. Applicability of this Agreement

Any and each use of the Card and/or the Virtual Card and operation of the Bank Account and/or Card Account (as the case may be) are subject to the terms and conditions of this Agreement from time to time in force and the Cardholder agrees to be bound by this Agreement upon his signature on the application form or the Card or upon his acknowledging receipt of the Card or the Virtual Card Account Number in such manner as the Bank may require or upon the use of the Card and/or the Virtual Card (whether or not he has acknowledged receipt of the Card and/or the Virtual Card Account Number).

3. The Card, PIN, Virtual Card Account Number and Card Account

- (a) **The Cardholder shall sign at the space provided on the Card as designated by the Bank immediately upon receipt**

of the Card from the Bank. The Cardholder shall also sign and return to the Bank immediately the acknowledgment of receipt of the Card and/or Virtual Card Account Number or shall acknowledge receipt of the Card and/or the Virtual Card Account Number immediately in such other manner as the Bank may require. The Cardholder shall at all times and from time to time fully indemnify the Bank or any other Person whomsoever against all losses and liabilities whatsoever suffered or incurred by the Bank or that Person in connection with or arising out of any failure or delay in so doing.

- (b) Every Card is the property of the Bank and must be surrendered to the Bank immediately upon demand by the Bank or its duly authorized agent at any time, notwithstanding that the expiry date embossed on the face of the Card may not have expired.
 - (c) **The Cardholder shall at all times have the sole responsibility for the safe custody and retention of the Card, the PIN and the Virtual Card Account Number and keep the Card safely under his personal control and the PIN and the Virtual Card Account Number secure and confidential at the Cardholder's risks. Without limiting the generality of the foregoing, the Cardholder must take the following measures to keep the Card safe, the PIN and the Virtual Card Number confidential:-**
 - (i) **keep any record of the PIN separate from the Card and the record of the Virtual Card Account Number;**
 - (ii) **destroy the original printed copy of the PIN;**
 - (iii) **never write down the PIN on the Card or on anything usually kept with or near the Card or the record of the Virtual Card Account Number;**
 - (iv) **never write down or record the PIN or the Virtual Card Account Number without disguising it; and**
 - (v) **never use any easily accessible personal information such as telephone numbers or date of birth as the PIN.**
 - (d) **The Cardholder shall in all circumstances keep his PIN and the Virtual Card Account Number strictly confidential. The Cardholder must not allow or cause to be permitted any other Person to use the Card, the PIN and/or the Virtual Card Account Number. The Cardholder must not use the PIN for accessing other services (for example, connection to the internet or accessing other website). Upon notice or suspicion of the PIN or the Virtual Card Account Number being disclosed or known to any unauthorized Person or any unauthorized Transaction being or may be effected, the Cardholder must notify the Bank immediately.**
 - (e) The Card Account shall be subject to such credit limit(s) as may be determined by the Bank in its absolute discretion from time to time. In respect of a joint account, any credit limit(s) so determined by the Bank shall be allocated to the Principal Cardholder and all Supplementary Cardholder(s) in such proportions as the Bank may in its absolute discretion specify if the Bank sees fit to do so.
4. Use of the Card and/or the Virtual Card
- (a) **Subject to Clause 10, the Cardholder may use the Card to obtain cash by way of advance from any branches of the Bank operating in Hong Kong or other locations or Terminals as specified by the Bank from time to time. The amount of cash advance shall be within the available credit**

limit or any cash advance limit (which shall form part of the credit limit) as may be specified by the Bank from time to time, whichever is the lower, in respect of the relevant Card Account. Where a cash advance is to be obtained from a Terminal, the amount of cash advance will further be subject to the withdrawal limit of any Terminal operated or designated by the Bank and the availability of cash at the Terminal. **Notwithstanding anything to the contrary herein contained, the Cardholder may use the Virtual Card for Virtual Card Transaction only but not for withdrawal of cash.**

- (b) Subject to Clause 10 and with the prior written approval of the Bank (which approval may be given or withheld by the Bank at its absolute discretion), the Cardholder may use the Card and/or the Card Account to settle any amount payable by such Cardholder to the Approved Securities Dealer under the designated Securities Trading Account opened and/or maintained with the Approved Securities Dealer for any Securities Trading Transaction thereunder. Where the Cardholder uses the Card and/or the Card Account to settle any amount payable to the Approved Securities Dealer according to this Clause 4(b), the Cardholder must also use the Card and/or the Card Account to settle any amount payable to such Cardholder by the Approved Securities Dealer under the designated Securities Trading Account as aforesaid if and when such Approved Securities Dealer or the Bank acting in its absolute discretion so requires.
- (c) Subject to the terms and conditions of this Agreement and any credit limit(s) as the Bank may at its absolute discretion from time to time impose:-
- (i) where the Card and/or the Card Account is being used to settle any amount payable to the Approved Securities Dealer under the Securities Trading Account as aforesaid ("the debit amount"), a cash advance for the debit amount under the Card Account is deemed to have been requested by and made to the Cardholder on the settlement date and the Cardholder shall repay such cash advance and all interest, finance charge, fees (including cash advance fees) and other charges payable thereon in the manner contained in this Agreement; and
 - (ii) where the Card and/or the Card Account is being used to settle any amount payable to the Cardholder by the Approved Securities Dealer under the Securities Trading Account as aforesaid ("the credit amount"), the Cardholder irrevocably authorises (A) the Card Account to be credited with the credit amount on the settlement date (subject to the Bank actually having received the credit amount from the Approved Securities Dealer for account of the Cardholder) and (B) the Bank to apply the credit amount in payment of any amount outstanding under the Card Account in such order and manner as the Bank may at its absolute discretion determine.
- (d) Subject to Clause 10, the Card and/or the Virtual Card may be used:-
- (i) within the irrespective credit limit(s) determined by the Bank in its absolute discretion and notified by the Bank to the Cardholder from time to time;
 - (ii) in the case of Card only, between the valid date (if any) and the expiry date embossed on the face of the Card or as notified by the Bank to the Cardholder

- from time to time; and
- (iii) in the case of Virtual Card, for such period as designated by the Bank from time to time.
- (e) **Unless otherwise provided herein, the Cardholder's right to use the Card, PIN and/or the Virtual Card (as the case may be) shall be terminated forthwith upon:-**
- (i) **the occurrence of any event mentioned in Clause 10; or**
- (ii) **the making of a report by the Cardholder to the Bank in accordance with Clause 8 which is acknowledged by the Bank.**
- (f) If a Cardholder loses or damages his Card or requires renewal, replacement or additional Card(s) or if a Cardholder requires a new, replacement or additional Virtual Card Account Number(s), the Bank may at its discretion issue such Card(s) or Virtual Card Account Number(s) (as the case may be) at a fee as set out in the Charges Table.
- (g) The Card and the Virtual Card Account Number are not transferable and may be used only by the Cardholder. The Card Account and the Virtual Card Account shall not be pledged or otherwise encumbered by any Cardholder as security or for any other purpose whatsoever.
- (h) The Cardholder shall immediately make good any amount in the Card Account in excess of the credit limit notified by the Bank, whenever incurred, by payment to the Bank whether or not a demand has been made by the Bank in connection therewith. The Bank shall be entitled to charge an over limit charge as set out in the Charges Table in respect of each Transaction effected in excess of the credit limit.
- (i) Any complaints or claims from the Cardholder against any contracted VISA/MasterCard merchant, goods/services provider, Approved Securities Dealer or Terminal operators shall be resolved by the parties concerned and the existence of any claim or dispute between these parties concerned shall not relieve or affect the Cardholder's obligations to settle any sums outstanding to the Bank.
- (j) Use of the Card and/or the Virtual Card shall be subject to the terms and conditions in force at the time of use, including any amendments or additions provided in Clause 9, as prescribed by the Bank.
- (k) **The Cardholder shall use the Card, the Virtual Card, the Card Account, the Virtual Card Account and other service of the Bank for valid and lawful purposes only. In particular, the Cardholder shall not use or involve the Card, the Virtual Card, the Card Account, the Virtual Card Account and service of the Bank for payment of any gambling or other transaction which is illegal under any applicable laws and the Bank reserves the right to decline processing or paying any Transaction which (in the sole determination of the Bank) is or suspected to involve any gambling or illegal activity. If the Cardholder uses or allows or causes to be permitted any other Person to use the Card, the Virtual Card, the Card Account, the Virtual Card Account and other service of the Bank for any purpose, the Cardholder shall be responsible for such use and shall be required to reimburse and indemnify the Bank, Visa International Service Association, MasterCard Worldwide and/or other relevant institutions/Persons (as the case may be) fully for all amounts and expenses (including legal fee) as well as all other losses, liabilities and damages which they may reasonably incur or suffer as a result of such use or breach by the Cardholder.**

- (l) The Bank shall not be responsible for the non-acceptance of the Card or the Virtual Card by any Terminal or merchant.
- (m) The Cardholder shall observe all applicable laws, regulations, codes, guidelines together with notices from time to time in operation in relation to any Card Account and/or Virtual Card Account transaction conducted with the Card and/or the Virtual Card, including any anti-money laundering and anti-terrorist financing legislation and regulations and all applicable foreign exchange laws, regulations, codes, guidelines and/or notices including without limitation those of the PRC in respect of the use of the Card and/or Virtual Card in the PRC. The Bank may take any action (including without limitation the disclosure of any information and documents) which as the Bank may in its sole discretion regard as prudent or necessary to comply with such laws, regulations, codes, guidelines and/or notices.

5. Billing

- (a) The Bank will issue to the Cardholder (or to the Principal Cardholder in the case of a joint account) a monthly Statement (except when there is no transaction and no outstanding balance on the Card Account since the last Statement) with a concise record of all Transaction(s) and the annual fees, interest, service charges or other charges payable.
- (b) The Statement shall indicate:
 - (i) the Statement Balance in Hong Kong dollars (where applicable, in respect of the Principal Card / Principal Virtual Card and / or each Supplementary Card / Supplementary Virtual Card) as at the date of the Statement;
 - (ii) the Payment Due Date;
 - (iii) the Minimum Payment; and
 - (iv) where a Transaction was processed outside Hong Kong and / or involved a currency other than Hong Kong dollar, the amount of Hong Kong dollars equivalent to such Transaction amount converted at a rate of exchange determined by the Bank with reference to the exchange rate adopted by Visa International Services Association, MasterCard worldwide and / or other intermediaries or services providers on the date of conversion, plus the Bank's levies charged at its prescribed rate and any transaction fee(s) charged by Visa International Services Association, MasterCard Worldwide and / or other intermediaries or service providers to the Bank, if applicable.
- (c) **The Cardholder must examine the Statement which, in the absence of any manifest error, shall be accepted by the Cardholder for all purposes as correct except to the extent that the Cardholder reports to the Bank in writing of any alleged error or omission or unauthorized transactions within 60 days of the date of the Statement or the Bank 's notification to the Cardholder of an error.** The Bank's records shall, in all other respects and for all purposes, be final, conclusive and binding on the Cardholder if he fails to report to the Bank within the specified period any alleged error or omission or unauthorized transactions, save and except unauthorized transactions arising from:
 - (i) forgery or fraud by any third party (including any employee, agent or servant of the Cardholder) and in relation to which the Bank has failed to exercise reasonable care and skill;
 - (ii) forgery or fraud by any employee, agent or servant of the Bank; or

- (iii) the default or negligence on the part of the Bank or any of its employees, agents or servants.
- (d) **The Cardholder agrees to:**
 - (i) **inform the Bank if no Statement or regular Statement is received; and**
 - (ii) **pay the entire balance of the Card Account due to the Bank forthwith on demand.**
- (e) The Cardholder shall be liable to the Bank to settle the entire outstanding balance in the Card Account and any charge or fee effected or incurred but not then debited to the Card Account. The Bank shall be entitled to charge interest and all other finance charges on all amounts due from the Cardholder in the manner set out in this Agreement and in accordance with the Charges Table subject only to all applicable laws.

6. Charges

The Cardholder agrees to pay such fees, charges and payments set out in the Charges Table as may be charged by the Bank and/or debited to the relevant Card Account from time to time, which include without limitation the following charges and fees.

(a) Finance Charge

- (i) **For cash advance, a finance charge will be charged to the Cardholder on the daily unpaid cash advance balance from the respective dates of advance until the date of repayment of the advanced amount(s).**
- (ii) No finance charge will be charged on any hire or purchase of goods and/or services effected through the use of the Card or the Virtual Card if the full amount of the Statement Balance is received by the Bank on or before the Payment Due Date.
- (iii) **If the Cardholder shall pay less than the Statement Balance, a finance charge will be charged on:-**
 - (A) **the daily unpaid balance (whether due or not) from the posting date (i.e. the date on which a Transaction is posted to the Card Account) until the outstanding amount of the Statement Balance is repaid in full; and**
 - (B) **the amount of all new Transactions (other than cash advance, in which case the finance charge is calculated from the date of advance) from the date of the respective posting dates of the new Transactions, notwithstanding that any such new Transactions amounts are not due for payment, until all outstanding balance in respect of the Card Account is settled in full.**
- (iv) The finance charge to be made as aforesaid will be calculated on a daily basis at the rate as set out in the Charges Table.

(b) Late Payment Charge

If at any time the Minimum Payment specified in a Statement has not been paid by the Payment Due Date, a late payment charge calculated at the rate as set out in the Charges Table will be charged.

(c) Cash Advance Fee

A cash advance fee calculated at the rate as set out in the Charges Table in respect of the amount of each cash advance shall be charged.

(d) Service Charge

An annual fee as set out in the Charges Table will be charged

every year on a date as may be stipulated by the Bank. In addition to all or any actual costs, fees and expenses incurred, a service fee as set out in the Charges Table will be charged for the provision by the Bank of any records or copies of Statement or sales draft in connection with the Card Account.

(e) **Rejected Payment Handling Fee**

A handling fee will be charged for any cheque which is rejected or declined for settlement by the bank on which it is drawn or in relation to any repayment by "direct debit" which is either rejected or revoked.

(f) **Replacement Card Fee**

A handling fee as set out in the Charges Table will be charged for the supply of a replacement Card.

(g) **Credit Balance Withdrawal Fee**

A handling fee as set out in the Charges Table will be charged in respect of each withdrawal of credit balance in the Card Account by the Cardholder.

(h) **Other Fees**

Other fees, charges and expenses which may be charged by the Bank from time to time are set out in the Charges Table.

7. Repayment

(a) **Minimum Payment**

(i) **The Cardholder agrees to pay at least the Minimum Payment as shown in the Statement on or before the Payment Due Date.** The Minimum Payment is calculated at the rate as the Bank may from time to time determine in its absolute discretion, plus any amount in excess of the applicable credit limit.

(ii) The Cardholder may pay any amount in excess of the Minimum Payment. **Unless the Cardholder pays the full amount of the Statement Balance, a finance charge will be payable in accordance with Clause 6(a).**

(iii) If the Minimum Payment of the previous Statement has not been settled in full, any overdue Minimum Payment will be incorporated into the Minimum Payment of the current Statement.

(b) **Repayment by Instalments**

(i) The Bank has absolute discretion to approve, on such terms and conditions (such as the instalment amount and number of instalments) as it considers appropriate, any application by the Cardholder to repay a Transaction by monthly instalments. Once an application is approved, the Cardholder cannot cancel it and the Bank may withhold the total amount of all monthly instalments from time to time remaining outstanding from the available credit limit.

(ii) The Bank will debit from the Card Account the amount of each instalment on a monthly basis. The Bank will also debit a non-refundable handling fee as set out in the Charges Table and/or any other communication with the Cardholder. Any such handling fee and monthly instalments will be recorded in a Statement and included as part of the Statement Balance.

(iii) The Bank may at any time without notice require the Cardholder to repay all outstanding monthly instalments by debiting the total amount thereof to the Card Account.

(iv) The Bank is not liable to the Cardholder if his application is rejected or he is required to repay all

outstanding instalments upon demand. The Bank reserves the right to cancel the repayment by instalments program at any time without prior notice to the Cardholder. All determinations made by the Bank in relation to the repayment by instalments program shall be final and binding on the Cardholder.

- (c) **Payment received shall be applied towards repayment of, firstly, interest or finance charges; secondly, other fees and costs, legal or otherwise; thirdly, the amount in respect of hires and/ or purchases of goods and/or services; fourthly, cash advances; and fifthly, annual fee and other sum due by the Cardholder.**
- (d) Payment to the Bank may be made by such means as the Bank shall from time to time stipulate. If payments are made by the use of a customer activated Terminal, such payment will be made subject to the terms and conditions of the Terminal or the Bank's transaction records.
- (e) The Cardholder will directly settle his disputes and claims (if any) between merchants and the Cardholder for goods and services hired or purchased. The Bank will not be responsible for goods and services supplied by merchants or for refusal of any merchant to accept any Card or Virtual Card or honour any of his obligations.
- (f) **Each Cardholder (including the Principal Cardholder and any Supplementary Cardholder) hereby agrees that without prejudice to other rights conferred by law or under any other agreement, the Bank may at any time and without prior notice set off or transfer any monies standing to the credit of such Cardholder's bank accounts of whatever description (including current accounts and deposit accounts) and in whatever currency and whether held singly or jointly with others in or towards satisfaction or discharge of all sums due by such Cardholder to the Bank in connection with the Card Account. Insofar as any of the sums may only be due to the Bank contingently or in future, the Bank's liability to such Cardholder to make payment of any sums standing to the credit of any such accounts will, to the extent necessary to cover such sums, be suspended until the happening of the contingency or future event as the Bank may in good faith deem as prudent or reasonable. For the avoidance of doubt, such sums or deposits shall only become repayable to such Cardholder if and when all the obligations, liabilities and outstanding amounts due to the Bank by such Cardholder under this Agreement have been fully discharged.**
- (g) Payment to the Bank shall only be deemed to have been made when actually received by the Bank and without any set off, claim, condition, restriction, deduction or withholding whatsoever.
- (h) Payment to the Bank will only be deemed to have been received by the Bank and credited to the Card Account when received in good and cleared funds and if payment is made in foreign currency, the Card Account will only be credited with such payment after conversion by the Bank into Hong Kong dollars in accordance with its normal practice at the prevailing rate as determined by the Bank in its absolute discretion from time to time and after deduction of all collection costs and fees.
- (i) The Bank will be entitled (but not bound) to give effect to any instruction given by a Cardholder that payment may be effected by crediting the Card Account with the amount of the

outstanding balance and debiting the like amount with such other account as may have been established by the Cardholder with the Bank for whatever purposes.

- (j) **In the case of a joint account, the Principal Cardholder shall be liable for all payments due in respect of the Card Account under this Agreement (including those effected or incurred or deemed to be effected or incurred by any Supplementary Card or Supplementary Virtual Card or the Supplementary Cardholder hereunder) but a Supplementary Cardholder shall only be liable for all payments due in respect of the Card Account under this Agreement which were effected or incurred or deemed to be effected or incurred by such Supplementary Cardholder or the Supplementary Card or Supplementary Virtual Card of such Supplementary Cardholder hereunder (as the case may be). The Bank's determination as to the respective amounts payable by the Principal Cardholder and/or the Supplementary Cardholder pursuant to this Clause 7(j) and Clause 5 shall, in the absence of manifest error, be conclusive and binding on the Principal Cardholder and the Supplementary Cardholder.**
- (k) Notwithstanding any provision in this Agreement, the Cardholder shall make full payment of all monies due to the Bank under this Agreement from time to time and at any time on demand by the Bank.

8. **Loss, Theft and Unauthorized Transactions**

- (a) **The Cardholder must report to the Bank as soon as reasonably practicable by phone to the 24-hour hotline number (852) 3768-8811 of the Bank (or such other telephone number prescribed by the Bank from time to time) and thereafter confirm in writing within 24 hours (or such other period prescribed by the Bank) any loss, unauthorized use or theft of the Card (including the Principal Card and/or any Supplementary Card) or when the PIN or the Virtual Card Account Number is known (or suspected to be known) to any unauthorized Person or suspicion of any counterfeit card bearing the same Card Account number of the Cardholder or purported to be issued in respect of the Card Account or suspicion of any unauthorized use of any Card or Virtual Card Account Number. Provided that the Cardholder's identity can be satisfactorily verified, the Bank may act on any oral notice purportedly given by the Cardholder and any action so taken by the Bank shall not render the Bank liable to the Cardholder or otherwise discharge any liability of the Cardholder.**
- (b) **Provided that the Cardholder has acted diligently and in good faith (including taking the precautions set out in Clause 3 and making report to the Bank in accordance with Clause 8(a)), the Cardholder shall not be responsible for the loss and damage incurred:**
 - (i) **in the event of misuse when the Card has not been received by the Cardholder;**
 - (ii) **for any unauthorized transactions made after the Cardholder has duly reported to the Bank of the loss, theft and/or unauthorized use of the Card ;**
 - (iii) **where faults have occurred in the Terminals or other systems used, which cause the Cardholder to suffer loss and damage, unless the fault was obvious or advised by a message or notice on display; and**
 - (iv) **where transactions are made through the use of**

counterfeit cards.

- (c) **Subject to Clause 8(d) and provided that the Cardholder has not acted fraudulently, with gross negligence or has not otherwise failed to report to the Bank as soon as reasonably practicable after having found that the Card has been lost, stolen or subject to unauthorized use or that someone else knows the PIN or the Virtual Card Account Number, the maximum liability of the Cardholder for such loss, theft or unauthorized use of the Card shall be HK\$500.00.**
- (d) **Notwithstanding anything contained herein to the contrary, the Cardholder shall indemnify the Bank in full for all losses and/or other liabilities or damages it has incurred or sustained if the Cardholder has acted fraudulently or with gross negligence or where the Cardholder has failed to take adequate steps to safeguard the Card, the PIN and/or the Virtual Card Account Number including taking those steps set out in Clause 3 or as otherwise specified by the Bank from time to time or where the Cardholder has failed to report to the Bank as soon as reasonably practicable after having found that the Card has been lost, stolen or subject to unauthorized use or that some other Person else knows the PIN or Virtual Card Account Number.**
- (e) **In the event that the Cardholder shall have informed the Bank of any unauthorized Transaction before the Payment Due Date and payment of the disputed amount has been withheld over the period when investigation in respect thereof is conducted by the Bank, the Bank reserves the right to re-impose any interest and/or finance charges on such disputed amount over the period commencing from the date of posting (except that in the case of cash advance the finance charge of which shall be calculated from the date of advance) until full payment of the disputed amount together with all related interest and finance charges calculated at a rate to be determined by the Bank from time to time if such dispute made by the Cardholder shall subsequently be proved to be unfounded.**

9. Amendments and Additions

- (a) **The Bank reserves the right at any time to amend and supplement the terms of this Agreement including, without limitation, the rates of any charges or fees in the Charges Table and method of payment or to provide additional terms from time to time to take effect on the date stipulated by the Bank provided that the Bank shall give the Cardholder not less than 30 days' notice before any change of the terms and conditions which affect fees and charges and the liabilities or obligations of the Cardholder takes effect (where any such amendments involving an increase of annualized percentage rate or a significant change in the terms and conditions of this Agreement, the Bank shall give the Cardholder not less than 60 days' notice before the change takes effect and inform the Cardholder that the Cardholder may close the Card Account(s) should any of such change be rejected), unless such changes are beyond the Bank's control.**
- (b) **If the Cardholder does not accept such amendments or additions, the Cardholder shall before the Bank's stipulated effective date for the change of terms and conditions give written notice to the Bank terminating the**

Card Account and the use of the Card and the Virtual Card and returning to the Bank the Card.

- (c) If the Cardholder retains the Card or otherwise maintain the Card Account or uses the Card or the Virtual Card after the relevant date mentioned in Clause 9(b), he shall be deemed to have accepted and agreed to such change of the terms and conditions without reservation.
- (d) The Bank may notify the Cardholder any variation of the terms of this Agreement by specifying the same in the Statement or in accordance with Clause 12(b) or in such other manner as the Bank may determine.

10. Breach, Termination, Cancellation and Suspension

- (a) In the event of any breach under this Agreement by the Cardholder, the Bank is entitled to terminate this Agreement and notwithstanding any prior agreement or arrangement between the Bank and the Cardholder to the contrary, the Cardholder (subject to Clause 7(j)) shall pay to the Bank on demand:
 - (i) all monies due as at the date of demand (or subsequent demands), whether or not already reflected in the Statement Balance of a Statement; and
 - (ii) all losses, damages, reasonable costs and expenses (including legal fee and collector's fee) reasonably arising out of the use of the Card and/or the Virtual Card by the Cardholder.
- (b) Termination, Cancellation and Suspension
 - (i) Use of the Card and/or the Virtual Card shall be terminated forthwith without notice upon the death, bankruptcy, insolvency or loss of legal capacity of the Cardholder or upon any other events as deemed fit by the Bank.
 - (ii) **The Bank reserves the right in its absolute discretion to terminate, cancel, suspend, withdraw or revoke any use of the Card and/or the Virtual Card and any services thereby offered or to disapprove any Transaction (including Banking Transaction and Securities Trading Transaction) with or without giving any prior notice or reason and the Bank shall not be liable for any loss or damage of whatsoever nature which the Cardholder may suffer directly or indirectly as a result of such termination, cancellation, suspension or disapproval and whereupon the Cardholder is to surrender the Card to the Bank and/or stop using the Virtual Card on demand.**
 - (A) The Principal Cardholder may at any time terminate, cancel or suspend the use of the Card (which includes the Principal Card and any Supplementary Card as the case may be) and/or the Virtual Card (which includes the Principal Virtual Card and any Supplementary Virtual Card) in the manner set out in Clause 10(b)(ii)(C) effective upon the Bank actually receiving the relevant written notice and (where applicable) the Card. In the event that the Bank has been requested by the Principal Cardholder to terminate, cancel or suspend the use of the Supplementary Card and that the Supplementary Card is not returned to the Bank at the same time, the Bank (if requested to do so by the

Principal Cardholder) shall be entitled to stop any further use of the Supplementary Card in line with the procedures which apply to lost Cards. **The Principal Cardholder shall be liable for all and any payments arising from the use of such Supplementary Card(s) until it/they has (have) been returned or until the Bank is able to implement the procedures which apply to lost Cards. The Principal Cardholder shall be liable to pay all and any related charges arising from implementing such procedure.**

- (B) A Supplementary Cardholder may at any time terminate, cancel or suspend the use of its Supplementary Card or Supplementary Virtual Card in the manner set out in Clause 10(b)(ii)(C) effective upon the Bank actually receiving the relevant written notice and (where applicable) the Card.
 - (C) Any notice given by a Cardholder for termination, cancellation or suspension of the use of the Card and/or the Virtual Card shall be in writing and (where applicable) the Card (where appropriate, the Principal Card and/or any Supplementary Card) shall be returned to the Bank at the same time. Each returned Card shall be duly defaced by cutting off the front top right-hand corner so as to ensure that both the hologram and the magnetic stripe have been cut.
 - (D) Subject to Clause 7(j), the Principal Cardholder and each Supplementary Cardholder shall be liable for all and any Transactions effected and for all amounts owed to the Bank in respect of the Card Account pursuant to this Agreement whether the same shall be effected or incurred prior to or after the return of the Card.**
- (iii) Without prejudice to Clause 7(b)(iii), in the event that the Bank has fully settled or agreed to settle the payment for the goods and/or services hired or purchased by the Cardholder and the Cardholder agrees to pay the hire or purchase price (whether in whole or in part) of the goods and/or services to the Bank by instalments through the Card Account, all the outstanding instalment(s) owed by the Cardholder to the Bank shall become due and payable immediately upon the termination or cancellation of the use of the Card (which includes the Principal Card and any Supplementary Card) or, as the case may be, the Virtual Card (which includes the Principal Virtual Card and any Supplementary Virtual Card) for any reason whatsoever. Further, the Cardholder shall forthwith upon such termination or cancellation repay all the outstanding instalment(s) to the Bank (regardless of whether the Bank has demanded it or not).
 - (iv) Upon termination, cancellation or suspension of the Card and/or the Virtual Card for whatever reason, the provisions of Clause 10(a)(i) and (ii) shall apply and the Bank shall at its own discretion settle any Transaction entered into by or on behalf of the Cardholder prior to or after such termination, cancellation or suspension. Without prejudice to other rights of the Bank, after termination, cancellation or

suspension of the Card and/or the Virtual Card, the Bank shall be entitled to impose all such charges and fees and at the rate(s) as specified in Clause 6 on any unpaid sums on a daily basis from the date of termination, cancellation or suspension of the Card and/or the Virtual Card until full payment of all outstanding balance due by the Cardholder to the Bank whether before or after judgment.

- (v) Upon termination, cancellation or suspension of the Card and/or the Virtual Card, or loss, unauthorized use or theft of the Card or suspicion thereof, for whatever reason, the Cardholder shall forthwith effect cancellation, suspension or termination of all outstanding payment instructions or authorizations which require payment out of the Card Account in favour of a third party to the intent that no further debit transaction shall be made out of the Card Account or through the use of the Card and/or the Virtual Card.

11. Exclusion of Liability

- (a) The Bank shall be under no liability whatsoever to the Cardholder in respect of any loss or damage arising directly or indirectly out of:
 - (i) any defect or claim in respect of any goods or services supplied;
 - (ii) the refusal of any Person or Terminal to honour or accept a Card or a Virtual Card ;
 - (iii) the fault of any Terminal if such fault is obvious or has been advised by a message or notice on display;
 - (iv) a Transaction effected other than by a Cardholder;
 - (v) any statement made by any Person requesting for the return of the Card or any act performed by any Person in conjunction therewith;
 - (vi) the exercise by the Bank of its right to demand and procure surrender of the Card prior to the expiry date embossed on its face, whether such demand and surrender are made and/or procured by the Bank or by any other Person or Terminal;
 - (vii) the exercise by the Bank of its right to terminate, cancel, suspend, withdraw or revoke any Card or Virtual Card or the Card Account pursuant to Clause 10;
 - (viii) any injury to the credit character and reputation of the Cardholder in relation to or in connection with any request for the return of the Card or the refusal of any Person to honour or accept the Card and/or the Virtual Card; or
 - (ix) any circumstances beyond the control of the Bank.
- (b) Each Cardholder will be liable for all transactions effected through the use of the Card and/or the Virtual Card even if no sales draft is signed by him and/or the credit limit specified by the Bank is exceeded. Types of Transactions effected without the Cardholder's signature may include, without limitation, orders placed by telephone, fax or mail, or different electronic delivery channels including, without limitation, the Internet and mobile phone, direct debit authorization, or use of Card in an automated teller machine (whether or not such a device is that of the Bank), at merchant's point-of-sale terminal, or in any other device approved by the Bank from time to time.

12. Communication

- (a) Each Cardholder who is not a Principal Cardholder hereby irrevocably appoints the Principal Cardholder as his agent for

the purposes of service by the Bank upon him of:-

- (i) the Statement, including service of the demand for payment thereby constituted and of any notice contained in the Statement for which provision is made in this Agreement;
 - (ii) any other demand, communication or notice made or given by the Bank pursuant to any provision of this Agreement or otherwise for the purpose of or in connection with this Agreement; and
 - (iii) legal process, in the event of any legal proceedings in respect of this Agreement. Further, any of the aforesaid documents to be given by the Bank to the Principal Cardholder shall be deemed to have been so given to each Supplementary Cardholder if posted to the Principal Cardholder and being served in the manner set out in Clause 12(b).
- (b) Any of the documents mentioned in Clause 12(a) may be served by sending the same by ordinary post to the usual or last known address of the Principal Cardholder as shown in the file record of the Bank, and such document shall be deemed to have been duly served two days after the date of posting if mailed to an address in Hong Kong or seven days after posting if mailed to an address outside Hong Kong, save that in the case of legal process these periods shall be changed to seven and twenty-one days respectively. Items sent to the Cardholder are sent at the Cardholder's risks. All notices or other communications sent by the Cardholder to the Bank shall be deemed to have been served on the date of actual receipt by the Bank.
- (c) (i) Notwithstanding anything contained in this Agreement to the contrary, the Bank is requested and authorized to act in accordance with and to rely on any instruction or other notice or communication (each a "notice" for the purpose of this sub-clause) which may be or purport to be given by the Cardholder.
- (ii) The Bank may act as aforesaid on any notice which the Bank in good faith believes to be genuine and to have been emanated from any Cardholder. The Bank may but shall not be obliged to check or verify the genuineness or authenticity of the signature of or the identity of any Person giving or purporting to give the notice in the name of the Cardholder.
- (iii) Each Cardholder undertakes to keep the Bank indemnified against all claims, demands, actions, proceedings, damages, losses, reasonable costs and expenses brought against or incurred by the Bank and arising out of anything done or omitted to be done by the Bank pursuant to any notice it received as aforesaid.
- (iv) The Bank's record of any such notice shall be conclusive and binding on the Cardholder in whose name the notice was given.

13. Transaction(s) outside Hong Kong / Non-Hong Kong Dollar Transaction Fee(s)

Amounts of those Transactions processed outside Hong Kong and / or in currency other than Hong Kong dollar shall be converted into Hong Kong dollars before debiting (or crediting as the case may be) to the Card Account. The Bank shall be entitled to effect any payment in connection with this Agreement in any currency as the Bank may prescribe. Where a conversion of one currency into another currency is required under this Agreement, such conversion shall be calculated at such rate as may be determined

by the Bank in good faith at its absolute discretion and which shall be conclusive and binding on the Cardholder. The Cardholder shall pay the Bank its levies at such additional percentages as prescribed by the Bank plus all commissions, charges and fees charged to the Bank by Visa International Services Association, MasterCard Worldwide and / or other intermediaries or service providers in relation to such Transactions, foreign currency exchange, remittance and transfer services ancillary thereto.

14. Expenses of Enforcement

- (a) The Cardholder acknowledges and agrees that the Bank may appoint debt collecting agencies and/or institutions for the collection of any money due by the Cardholder to the Bank under this Agreement.
- (b) The Cardholder hereby agrees to indemnify and reimburse the Bank for any and all fees and expenses (including legal and debt collector's fees and expenses) of reasonable amount and reasonably incurred by the Bank in the recovery or attempted recovery of any sum payable hereunder by the Cardholder or as a result of any enforcement of any term and condition hereof.

15. Automated Teller Machines Facilities

- (a) Transactions effected through automated teller machines ("ATM Transactions") other than cash advances and payments into the Card Account will not appear on the Statement but will appear on the monthly statement, passbook or other transaction records of the Bank Account(s) concerned. Record of the Bank in respect of the ATM Transactions shall be conclusive and binding on the Cardholder for all purposes save for manifest error.
- (b) Except to the extent that these terms and conditions require otherwise, the Bank Accounts shall be governed by the respective prevailing rules and regulations applicable to the Bank Accounts and the rules and regulations governing the Bank Accounts operated through automated teller machine or any other devices or terminals for effecting payment or transfer of funds by electronic means from time to time prescribed by the Bank. A Cardholder who no longer requires access to automated teller machine facility for the purpose of effecting Banking Transactions shall notify the Bank in writing.

16. Spending Reward Program

Valid Cardholders of VISA/MasterCard credit cards or any other credit cards from time to time issued by the Bank either as Principal Cards/Principal Virtual Cards or as Supplementary Cards/Supplementary Virtual Cards may participate in any one of the spending reward programs (the "Programs") (including, without limitation, gift redemption programs and cash rebate schemes) from time to time operated by the Bank and switch among the Programs subject to any conditions as the Bank may stipulate. Certain principal terms and conditions of the Programs are summarized as follows:-

- (a) The Cardholder will be awarded with bonus points or cash rebate at such rate as the Bank may at its absolute discretion determine from time to time for his spending on retail transaction with any Card or Virtual Card save and except for cash advance, casino chips transaction or such other excluded transactions from time to time determined by the Bank. Any bonus point or cash rebate so awarded will be shown in a Statement (and in the case of cash rebate, credited to the Card Account). However, in the event of retail return or retail credit adjustment transaction, the relevant amount of bonus points or cash rebate attributable thereto will be

reversed.

- (b) In the case of a joint account, any bonus points or cash rebate attributable to any Supplementary Card or Supplementary Virtual Card will be posted to the said joint account and be pooled together under the Program.
- (c) The period during which the bonus points may be accumulated in respect of each Card or Virtual Card shall, subject to any early termination, cancellation or suspension of the Card Account, be limited to such period as the Bank may at its absolute discretion and from time to time determine ("Valid Period"). Subject as aforesaid, the bonus points may be used until the last day of the calendar month in which such Valid Period expires and any bonus points remaining unused thereafter will be cancelled.
- (d) The Bank shall be entitled from time to time, without prior notice to or consent of the Cardholder:-
 - (i) to amend the terms and conditions of any of the Programs and/or to provide additional terms thereof from time to time to take effect on the date as it may stipulate;
 - (ii) to suspend, cancel and/or terminate any of the Programs at any time;
 - (iii) to alter and/or add to the types of privileges and benefits offered under any of the Programs;
 - (iv) not to allow any Cardholder to be awarded any bonus points or cash rebate, or to use any bonus points for redemption; and
 - (v) to cancel all or such part of the accumulated bonus points of any Cardholder in accordance with such criteria as the Bank may in its absolute discretion deem appropriate from time to time or upon termination, cancellation or suspension of the Card Account due to whatever reason.
- (e) Details of the Programs shall be determined by the Bank in its sole discretion and be subject to such terms and conditions as may be advised by the Bank from time to time. All determination in relation to any Programs made by the Bank shall be conclusive and binding on the Cardholders.

17. Delegation of Credit Card Services

The Cardholder agrees that the Bank may, in its absolute discretion and on such terms and conditions as it may consider appropriate, delegate (with full power of sub-delegation without limit) any services in relation to the operation of the Card, the Virtual Card and/or related products to the Bank's agent or any third parties which the Bank may select from time to time (including without limitation Card Alliance Company Limited) without notice to the Cardholder. The Bank shall be under no obligation to notify the Cardholder of the existence of any such delegation or any matters in connection therewith.

18. Law and Language

- (a) This Agreement shall be construed by the laws of Hong Kong and each Cardholder (including the Principal Cardholder and any Supplementary Cardholder) and the Bank agree to submit to the nonexclusive jurisdiction of the courts of Hong Kong and the terms herein may be enforced in any place where the Cardholder or his assets may exist.
- (b) If at any time, any of the terms and conditions hereof is or becomes illegal, invalid or unenforceable in any respect, such terms and conditions shall be deemed as severed for this Agreement automatically whilst the legality, validity and enforceability of the remaining terms and conditions shall not

be affected thereby.

- (c) Nothing in this Agreement shall operate so as to exclude or restrict any liability, to the extent that such exclusion or restriction is prohibited by the laws of Hong Kong.
- (d) This Agreement is written in English and its Chinese version is provided for reference only. In the event of conflict of terms and conditions between the English version and the Chinese version, the English version shall prevail.

19. Miscellaneous

Without prejudice to the other provisions of this Agreement, if the Cardholder shall be absent from Hong Kong for a period exceeding one month, arrangement shall be made to settle the Card Account prior to his departure.