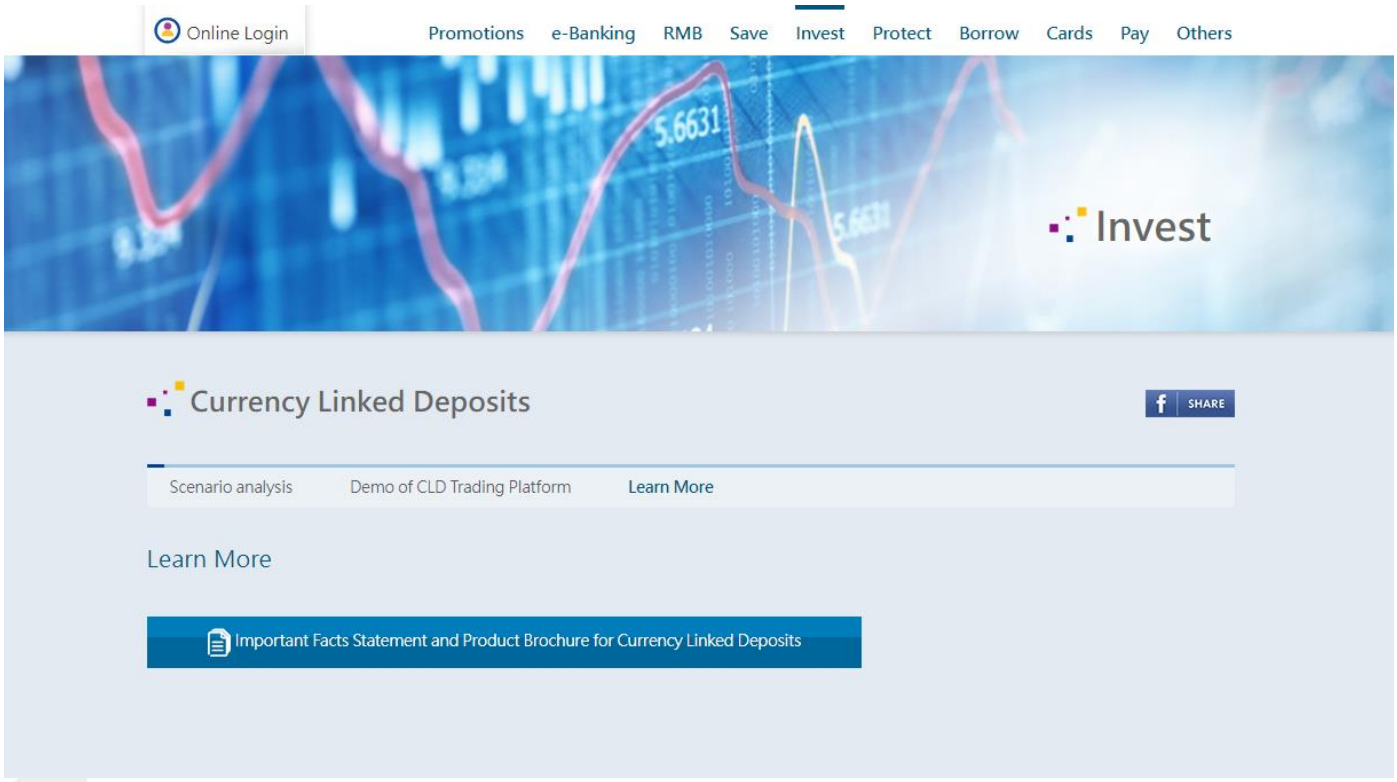
How customer can read the offering documents of Currency Linked Deposit

Before the subscription of currency linked deposit ("CLD"), you should read the "Important Facts Statement and Product Brochure for Currency Linked Deposit" to understand product nature, features and key risks associated with the product, etc. You can obtain the relevant documents through our Bank's website (as shown below).



"Important Facts Statement and Product Brochure for Currency Linked Deposit" provides information on key product features and risks of CLD. The main contents include:

1. Pre-Investment Cooling-off Period for retail customers
2. Quick facts
3. What is CLD
4. How does CLD work

5. Key risks associated with CLD
6. Key features of CLD
7. Scenario analysis
8. How can you buy the product
9. Fees and charges
10. Adjustment on the terms by the Bank
11. Offering documents for the product
12. Financial information of the Bank
13. Benefits offered by CLD
14. Suitable investors of CLD
15. Contact information of the Bank
16. Risk disclosure statement

Benefits of using Personal Internet Banking and Shacom Bank mobile app

Flexible access to banking services

Personal Internet Banking and Shacom Bank mobile app allow customers to access banking services, such as checking account balance and transferring funds anytime and from anywhere without queuing. Customers may access banking services even after banks' business hours or when they are out of the town. It offers customers the ability to have a real-time access to their bank accounts, and make it easier to navigate transactions.

Enable online shelf-service

Personal Internet Banking and Shacom Bank mobile app offers various services such as bank statements, funds transfer and bill payments which allows customers to access banking services in one place.

Facilitate electronic transactions

Personal Internet Banking and Shacom Bank mobile app facilitate electronic or cashless transactions, provide a secure way for customers to manage their financial resources.

Promote paperless transactions

Personal Internet Banking and Shacom Bank mobile appservices promote paperless transactions in order to be more environmentally friendly. For example, customers may use online application form, instead of paper forms.

Customer may benefit from the lower cost

Personal Internet Banking and Shacom Bank mobile app can help the Bank saving operation costs and enhancing its operation efficiency. As return, Bank may adjust the charges and fees of some internet banking services, to encourage customers to use online banking services.

Common risks of internet banking and mobile app

Risk of identity theft

You may be exposed to the risks that criminals may obtain your personal information, such as name, ID number, credit card or bank account number for ill-gotten wealth.

Risk of being hacked or attacked

You may be exposed to cyber-attacks that bring cybersecurity risks; for example, (i) using keylogging software on the Internet to record the keystrokes, including URLs, usernames and passwords and then share such information to hackers without your knowledge, (ii) fraudulent email pretending the correspondent bank or other companies with good reputation, thereby tricking you into setting them up as beneficiaries of your accounts, allowing the money transfer to their accounts and (iii) posing as financial institutions to defraud through phishing email spam.

Risk of being compromised by malware

You may be at risk of being damaged by malicious software, such as viruses, worms, Trojan horses, keyloggers, and zombies. The criminals may damage your computer and/or misappropriate your data against with the vulnerabilities of the operating system.

Risk of revealing access passcodes to third parties or unauthorized use of access passcodes

Regarding the access passcode for online trading services, you acknowledge and understand that you are solely responsible for disclosing the access passcode to third parties or for unauthorized use of the access passcode. As long as an access passcode is used as the source of an instruction, the instruction is deemed to have been ordered by you, which is truly, complete, accurate and binding on you, no matter the instruction was actually issued by you. You should not provide your personal login account or password to a third party, and change your password regularly. In the event of any unauthorized use of your transaction or login password, you should notify the Bank immediately and you agree to bear all risks arising from any unauthorized use of your transaction or login password and will indemnify the Bank upon demand any losses, costs, expenses or claims you may suffer from any unauthorized use of your transaction or login password.

Risk of network malfunction

Due to transmission failure, interference, delayed transmission which caused communication congestion, inaccurate data transmission or any other reasons beyond the control of the Bank, which may result in the transmission, receipt or execution of relevant instructions errors or delays occur, including failure to execute an amendment that has been validly issued, execution of an original or unmodified instruction at the time of cancellation, failure to execute or delay of an order so that the transaction price is different from the price when the order was issued, and/ or unauthorized third parties may obtain communications and personal data.

Risk Disclosure：

- Investment involves risks. The following risk disclosure statement cannot disclose all the risks involved and does not take into account any circumstances that are unknown to the Bank. The price of investment products may go up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying or selling investment products. Any past performance figures shown are not indicative of futures performance. Part of the investment may not be able to liquidate immediately under certain market situation. Customers should refer to relevant offering documents for detailed information, including but not limited to Risk Disclosures, prior to any investment subscription.
- The products described herein may not be suitable for all people. The decisions to invest are made by customers and customers should not invest in investment products unless the intermediary selling them has explained to them that the product is suitable for them having regard to customers' financial situation, investment experience and investment objectives. Customers should not make any investment decisions based on this document alone. Customers must make their own assessment of the information provided in this document. Customers should carefully consider whether any investment products or services mentioned herein are appropriate for them in view of their financial situations, investment experiences and investment objectives. If customers have any doubt about this material or any relevant offering document, they should consult their own independent advisers on the legal, regulatory, tax, investment and financial implications of the investments (including but not limited to estate duty and withholding tax and other tax obligations which may arise from local or foreign investment) as they deem appropriate to ensure that they understand the nature of the investments in order to consider whether the investments are suitable investments for them.
- This is an investment product. The investment decision is yours but you should not invest in this product unless the intermediary who sells it to you has explained to you that the product is suitable for you having regard to your financial situation, investment experience and investment objectives.
- This document can only be distributed in Hong Kong. If the distribution or use of this document is contrary to the laws or regulations of any jurisdiction or country, this document cannot be distributed or used by any person or legal person in that region or country.
- The risk of CLD: CLD is NOT the same as NOR should it be treated as a substitute for normal time deposits NOR exchange of currency. CLD is NOT principal protected and is NOT protected by the Deposit Protection Scheme in Hong Kong. Investing in CLD is NOT the same as buying the Linked Currency directly. The amount of gain is limited to the pre-determined interest rate no matter how high the price of the Linked Currency has increased. CLD is embedded with currency option. Option transactions involve risks, especially when selling an option. Although the premium received from selling an option is fixed, you may sustain a loss well in excess of such premium amount, and your loss could be substantial. CLD is NOT supported by any collateral and its earning is subject to the market risk. You will bear the potential losses due to the fall in exchange of the Linked Currency. Such losses may reduce the principal amount AND the interest earnings. You could lose the entire principal amount in the worst case scenario. The return of CLD is linked to the exchange rates of the Deposit Currency against the Linked Currency. Movements in exchange rates can be unpredictable, sudden and drastic, and affected by complex political and economic factors. You must be prepared to take risk, as the principal and interest will be paid in the Deposit Currency or the Linked Currency, whichever has depreciated against the other, you will bear the potential losses due to depreciation. Such losses may reduce the interest earnings and the principal amount of the deposit substantially. CLD is designed to be held till maturity. You DO NOT have a right to request early termination of this product before maturity. CLD is NOT secured by any collateral and is subject to the credit risk / insolvency risk of the Bank. If the Bank becomes insolvent or defaults on its obligations under this product, you may lose the entire principal amount and will become an unsecured creditor of the Bank regardless of the performance of the Linked Currency. If the Deposit Currency and / or Linked Currency is NOT in your home currency, and you choose to convert it back to your home currency upon maturity, you may make a gain or loss due to exchange rate fluctuations.

If Renminbi is involved in the investment product(s), offshore Renminbi exchange rate will be quoted. The offshore Renminbi exchange rate may be at a premium or discount to the exchange rate for onshore Renminbi and there may be significant bid and offer spreads. In addition, Renminbi is not freely convertible. The exchange rate and liquidity are affected by foreign exchange control policy and relevant restrictions. You should consider and understand the exchange rate fluctuation of Renminbi may result in gain or loss when you convert Renminbi into HKD or other currencies. The Bank has the set-off and lien right to combine or consolidate any credit balances of your accounts with the Bank to set-off any liability owed by you to the Bank as described in the relevant Terms and Conditions. The Bank has the right to terminate the account and services as described in the relevant Terms and Conditions which may induce loss to you. You have to be aware of the concentration risk of investment and are reminded to avoid over-concentration of investment in CLD. You should assess your risk appetite and ability to bear risks before making decision regarding CLD. Conflicts of interest may arise and affect your interests if any subsidiaries, affiliates or associates of the Bank involved in connection with the CLD, even though the Bank has internal measures in place to minimize such conflicts. Nevertheless, the Bank will act in good faith and in a commercially reasonable manner in offering CLD. The Bank is not liable for any failure or delay to meet its obligations caused. The Bank is not liable for any failure or delay to meet its obligations caused by force majeure events as described in the relevant Terms and Conditions of CLD.

- You may contact our staff for the product information of currency linked deposits.
- The above information is for reference only and does not constitute any offer, solicitation, invitation, advice or recommendation to subscribe for or redeem any investments. No indication, representation, guarantee or other assurance as to the outcome of any investment has been made or will be given to you by or on behalf of the Bank. The information (whole or any part of) herein contained may not be quoted, reproduced, distributed, disclosed or published (whether in whole or in part) in any media for any purpose without prior express written consent from the Bank. Subject to applicable laws and regulations, unless due to the negligence or wilful default of the Bank, the Bank's authorised officers, employees or agents, the Bank accepts no liability for the accuracy or completeness of any information or materials contained in this document or the performance or outcome of any investment made or transaction entered into by them in reliance of such information or materials
- The information on this document has not been reviewed by the Securities and Futures Commission of Hong Kong or any regulatory authorities in Hong Kong.

Issued by Shanghai Commercial Bank Limited