Schedule III

Terms and Conditions for i-Banking Services

1. Incorporation of the General Terms in Part A

1.1 The General Terms set out above in Part A of this "Terms and Conditions for Bank Accounts and General Services" (the "General Terms and Conditions") shall be incorporated as an integral part of this Schedule, as if the General Terms and Conditions were written in full herein. In case of conflict between the General Terms and Conditions and the terms and conditions expressly set out in this Schedule III, the latter shall prevail.

1.2 The term "these terms and conditions" whenever used in this Schedule III shall mean the terms and conditions expressly set out in this Schedule III together with the General Terms and Conditions which are incorporated herein as aforesaid.

1.3 These terms and conditions shall apply to and regulate i-Banking Services provided for by the Bank to the Customer unless they are inconsistent with those terms and conditions stipulated for any specific i-Banking Services. In case of conflict between the terms and conditions expressly set out in this Schedule and those terms and conditions designated for any specific i-Banking Services, the latter shall prevail.

2. Definition(s) and Interpretation

2.1 In these terms and conditions, unless the context otherwise requires :-

"Access Code" means the User Identification Number and Login Password (or either of them);

"Account" means any Checking Account, Savings Account, Securities Trading Account, Credit Card Account, Term Deposit Account, Loan Account and/or such other account(s) of whatever nature of the Customer maintained and registered with the Bank for use via i-Banking Services;

"Administrator" means such person as may be designated and appointed by the Customer and notified to the Bank in such manner as may be required by the Bank as the person responsible for the management and control of the use of Corporate Internet Banking services by the Customer;

"Approved Certification Authority" means a Certification Authority approved by the Bank, including without limitation, Hongkong Post and Digi-Sign Certification Services Limited and such other certification authorities from time to time approved by the Bank;

"Authorizer" means such person as may be designated or appointed by the Customer and notified to the Bank in such manner as may be required by the person responsible for the carrying out the function of approving and authorizing of Transaction in connection with Corporate Internet Banking Services. The authority and capacity of Authorizer(s) in connection with the CIB Services are designated and defined by the Administrator(s) in manner prescribed by the Bank from time to time;

"Certificate" means a record which (a) is issued by a Certification Authority for the purpose of supporting a Digital Signature which purports to confirm the identity or other significant characteristics of the person who holds a particular key pair; (b) identifies the certification authority issuing it; (c) names or identifies the person to whom it is issued; (d) contains the public key of the person to whom it is issued; and (e) is signed by a responsible officer of the Certification Authority issuing it;

"Certification Authority" means a person who issues a certificate to a person;

"Corporate Internet Banking" or "CIB" means one of the electronic systems of the i-Banking Services provided by the Bank specifically designed for corporate customers or firms or companies with full range of services, including without limitation, cash management functions, transfer MPF and payroll files for real time update, processing of applications for trade finance and money transfer for the Customer;

"Customer's System" means all hardware and software system used by the Customer in gaining access to i-Banking Services (including, without limitation, any computer, modem, mobile phone and any program installed therein);

"Digital Certificate" means any or all digital certificate(s) issued by the Approved Certification Authority;

"Digital Signature" in relation to an electronic record, means an electronic signature of the signer generated by the transformation of the electronic record using an asymmetric cryptosystem and a hash function such that a person having the initial untransformed electronic record and the signer's public key can determine - (a) whether the transformation was generated using the private key that corresponds to the signer's public key; and (b) whether the initial electronic record has been altered since the transformation was generated;

"e-Notification" means a notification or alert issued or provided by the Bank to the Customer via electronic or telecommunications media;

"e-Statement" means any statement, advice, confirmation, receipt, notice, message, report or communication in relation to any Account(s) issued or provided by the Bank in electronic form;

"e-Statement Service" means the service provided by the Bank under which e-Statement will be made available to the Customer through i-Banking Services or other electronic or telecommunications media, and including other ancillary services in connection therewith, if any;

"Hong Kong" means Hong Kong Special Administrative Region of the People's Republic of China;

"i-Banking Services" means the banking services or facilities provided or to be provided by the Bank to the Customer from time to time to enable the Customer to give Instructions to and communicate with the Bank via electronic or telecommunications media (including through the use of interactive television, computers, machines, terminals or any other electronic or telecommunications devices, including without limitation, the Internet, mobile phones, telephone or the Website online) for the purposes of carrying out banking, financial, securities, investment or other transactions or services, and (as the case may be) including e-Statement Service;

"Information" means the financial, market or other information and data supplied by any information provider and make available by the Bank via the Website;
"Information Provider" means the person who provides the Information;
"Instructions" or "Instruction" means any instruction given by the Customer to the Bank hereunder for operating any Account or in respect of any Transaction through i-Banking Services;
"Login Password" means the personal password of the Customer used in conjunction with the User Identification Number to gain access to i-Banking Services and/or other services provided by the Bank;
"Normal User" means an Authorizer or an Operator;
"Operator" means such person as may be designated and appointed by the Customer without the need to notify the Bank as the person responsible for making enquiry and carrying out the functions of creating, editing and deleting Transactions in connection with Corporate Internet Banking;
"Proprietary Information" means i-Banking Service, the Information, the Reports and their form, format, mode or method of compilation, selection, configuration, presentation and expression;
"Reports" means reports complied from the Information in any form, medium or means;
"Security Code" means a one-time password which is generated by a Security Device for using certain function(s) and/or feature(s) of i-Banking Services as specified by the Bank from time to time;
"Security Device" means any smartcard, token, electronic device, hardware or any other equipment issued by the Bank from time to time for generating Security Code(s);
"Transaction" means any transaction in respect of any Account to be made on the Account and/or the Customer's behalf;
"User Identification Number" means the personal identification of the Customer used in conjunction with the Login Password to gain access to i-Banking Services and/or other services provided by the Bank;
"Verify a digital signature" in relation to a given Digital Signature, electronic record and the public key, means to determine that (a) the digital signature was generated using the private key corresponding to the public key listed in a Certificate; and (b) the electronic record has not been altered since its Digital Signature was generated, and any reference to a Digital Signature being verifiable is to be construed accordingly;
"Website" means any and all websites operated by the Bank.
Headings are used for convenience of reference only and should not be taken into account when construing these terms and conditions.

3. i-Banking Services

3.1 The Customer will become an i-Banking Services Customer when the Customer's i-Banking application form is successfully processed and the Customer receives a User Identification Number and Login Password. The Bank's acceptance of the Customer as an i-Banking Services Customer is subject to the Customer's meeting of the Bank's eligibility and procedural requirements.

3.2 i-Banking Services is available at the Bank's discretion and may be withdrawn, suspended or amended at any time. The Bank will try to give the Customer notice before any such withdrawal, suspension or amendment takes place where it is reasonable and practicable to do so. If the Bank does not give the Customer a notice before any such withdrawal, suspension or amendment, the Bank will give the Customer a notice afterwards. The full range of services included in i-Banking Services may not be available in all countries.

3.3 For the purpose of gaining access to i-Banking Services and in particular, the Corporate Internet Banking Services provided by the Bank, the Customer shall designate and appoint :-

(i) Administrator(s) who shall have the following powers and authority :-
  (a) to manage and control the access of and the use of CIB by the Customer;
  (b) to give Instructions for and on behalf of the Customer which shall be binding on the Customer in its full force and effect;
  (c) to designate, appoint and remove in such manner as may be required by the Bank any person as an User to gain access to CIB and to give Instructions for and on behalf of the Customer which shall be binding on the Customer in its full force and effect;
  (d) to receive any Login Password(s), Advice and User Identification Number(s) specifically assigned to the Administrator from the Bank;
  (e) to assign any User Identification Number and Login Password to the Normal User; and
  (f) to exclude such Account(s) with the Bank for any purpose in connection with CIB in such manner as may be acceptable to the Bank.

(ii) Authorizer(s) who shall have the authority to approve and authorize any Transaction on behalf of the Customer;

(iii) Operator(s) who shall have the authority to make enquiry, creating, editing and deleting Transactions on behalf of the Customer.

3.4 Fees, commissions or other charges may apply to certain i-Banking Services and the Customer agrees to pay in accordance with the fees/charges in the schedule published by the Bank from time to time. The Bank shall be entitled to debit the fees and charges from any of the Account(s). The fees and charges are not refundable except that :-

(i) if the Customer refuses to accept the variation to the terms and conditions of this Schedule and choose to cancel the i-Banking Services within 30 days from the date of the relevant notice, the Bank will, unless the amount involved is minimal, upon receiving the Customer's advice, repay the annual or any periodic fee previously collected to the Customer on a pro-rata basis; or

(ii) if the Customer does not agree to the automatic renewal of the i-Banking Services, he may cancel the i-Banking Services within 30 days from the date of renewal without paying any renewal fee.

3.5 Each account type or facility provided via i-Banking Services is provided subject to its individual applicable contractual terms and conditions, account mandates and customer guides and manuals, as may be supplemented, amended or replaced from time to time ("Service Conditions"). The Customer acknowledges that the contents of these terms and conditions shall not limit any specific provisions set out in the Service Conditions.

3.6 The information and materials on the Website and/or available via the Bank's phone-banking service should not be regarded as an offer or solicitation to buy or sell investments.

3.7 The Bank may use the services of various providers of electronic payments systems ("Service Bureaus"). This allows the Customer to request the Bank to make payments to certain organizations or to facilitate transfers of moneys to other bank's accounts ("Payee") where both the Bank and the Payee use the electronic payments system of any of the Service Bureaus ("Electronic Payments"). The Customer can use i-Banking Services to make Electronic Payments to Payee on the terms hereof. The Bank will use its reasonable efforts to effect such payments, however, the Bank is not liable for any failure to effect or delay in effecting such payments, whether such failure or delay is caused by the Bank or a third party.

4. e-Statement Service

4.1 The i-Banking Services Customer may enrol for the e-Statement Service provided that the Customer has an internet service provider, appropriate telecommunications equipment and computer software capable of receiving and reading the e-Statement, and/or such other necessary equipment or software in the Customer's System as may be determined by the Bank from time to time.

4.2 After the Customer's enrolment for the e-Statement Service, the Bank will send an e-Notification to the Customer via his email address last registered with the Bank (or other electronic or telecommunications media as may be determined by the Bank from time to time), notifying that new e-Statement is available to the Customer through i-Banking Services or other electronic or telecommunications media for review and download. The Customer undertakes to provide a valid and up-to-date email address (or other electronic or telecommunications media as may be determined by the Bank from time to time) that has sufficient capacity at all times to receive the e-Notification.

4.3 All e-Statements and e-Notifications sent under the e-Statement Service shall be deemed to be received by the Customer at the time when they were, according to the Bank's record, successfully sent or made available to Customer by the Bank, irrespective of whether or not they have been opened, reviewed and/or saved by the Customer.

4.4 All e-Statements will be made available in the Account for a designated period of time determined by the Bank from time to time. It is the duty of the Customer to examine, download, save and/or print the relevant e-Statements (if the Customer deems it necessary) before they are deleted by the Bank.

4.5 After the Customer's enrolment for the e-Statement Service, the corresponding statements in their paper form will no longer be sent to the Customer's mailing address, however, the Bank may send the corresponding statements in their paper form to the Customer in case of outage of the Website or any other disruption preventing access to the e-Statement Service through the Website. The Customer may in addition request for the corresponding statements in paper form subject to the service charges as determined by the Bank from time to time.

4.6 The Customer agrees to review and examine the relevant e-Statements sent to the Customer in a timely manner and notify the Bank immediately in writing of any wrongful, irregular, inaccurate and/or unauthorised transactions or entries. Unless the Bank shall have received such notice within 90 days after the relevant e-Statements are made available for the Customer's access or use through i-Banking Services or other electronic or telecommunications, the relevant e-Statements shall be conclusively binding on the Customer as valid and effective to all intents and effects, and the Customer shall not be entitled to dispute any transaction and/or entry recorded therein.

4.7 The Customer shall bear any fees, charges or expenses which may be imposed by any telecommunications company (whether or not designated by the Bank) providing or servicing the Customer's telecommunications equipment in connection with the e-Statement Service and e-Notification.

4.8 Without prejudice to the generality of any other provisions herein, the Customer hereby understands, acknowledges and accepts all possible risks involved in using the e-Statement Service including, without limitation, the e-Statement and/or e-Notification being intercepted, monitored, amended, tampered with or being sent or disclosed to other parties without authorization of the Customer. The Customer shall take reasonable precautions to prevent unauthorized or fraudulent access to the e-Statement and e-Notification. The Bank shall not be liable for any loss, damages or expenses in connection with the use of the e-Statement Service, including but without limitation, any loss or damage caused to the Customer's System or arising from any failure or delay in transmitting the e-Statement and/or the e-Notification to the Customer or any error or inaccuracy in e-Statement and/or the e-Notification, unless due to the negligence or wilful default of the Bank.

5. Authority & Amendments

5.1 The Customer authorizes the Bank to act on any written, oral, telephone, card or computer generated Instructions in respect of i-Banking Services properly made using the Customer's Access Code, the Security Code and/or the Digital Certificate (as the case may be). The Bank is not obliged to check the accuracy or authenticity of any such Instruction which appears (or which the Bank believes) to be from the Customer.

5.2 Instructions provided by the Customer using the Customer's Access Code, the Security Code and/or the Digital Certificate (as the case may be) are valid and conclusively binding on the Customer, even if the Customer's mandate for i-Banking Services requires a particular signature, or different signatures may be specified for different Accounts. Any requirement in the mandate for joint signatories is satisfied by the use on the Website and/or via the Bank's phone-banking service by the Access Code, the Security Code and/or the Digital Certificate (as the case may be) for that Account. Instructions provided by the Customer electronically or telephonically shall be treated as if they had been made in writing and signed by the Customer. All holders of a joint account are jointly and severally responsible to the

Bank for any Instructions given through the Website and/or via the phone-banking service for that account, provided the correct Access Code for that account is used. The Customer agrees that the only duty of the Bank is to verify the Access Code, the Security Code and/or the Digital Certificate (as the case may be) and the Customer further agrees that the Bank shall not have any responsibility to verify the identity and authority of the person giving the Instructions or the authenticity of the Instructions.

5.3 Any Instruction, once given, cannot be cancelled or withdrawn without the consent of the Bank. The Customer shall remain fully responsible for any Instruction given unless and until the request for cancellation or withdrawal is confirmed by the Bank.

5.4 The Bank's computer data records, transaction numbers and/or recordings are, save in the case of manifest error, conclusive evidence of its contents and are binding on the Customer. The Customer agrees that the computer data records, transaction number and/or recordings shall be admissible in court as evidence of the existence of the transactions and communications and of the facts contained therein, to the extent permitted by applicable law.

5.5 The Bank may vary or amend these terms and conditions and/or any of the Service Conditions. The Customer will be deemed to have sufficient notice of these changes thirty (30) days after such changes have been displayed on the Website and/or in any of the branches of the Bank. The current and prevailing version of these terms and conditions are available on the Website or at any branches.

6. Obligations of the Customer

6.1 The Customer agrees that:

(i) The Customer is responsible for providing and operating all equipment and software necessary to operate i-Banking Services and the Customer shall at the Customer's own costs or expenses ensure that such equipment and software is compatible with and properly connected to the system of the Bank;

(ii) The Customer will comply with any operational instructions, customer guides, user manual or user guides which the Bank may provide to the Customer from time to time;

(iii) The Customer will keep the Access Code, the Security Device, the Security Code and/or the Digital Certificate confidential and secure, in particular :-

- (a) not to disclose the Access Code, the Security Code and/or the Digital Certificate to any other person or permit any other person to gain access to and use i-Banking Services;
- (b) not to send the Access Code, the Security Code and/or the Digital Certificate via email;
- (c) not to disclose the Login Password to anyone who claims to represent the Bank or holds out as the Bank's employee or authorized person in any circumstance (it is not necessary for the Bank's employee to know the Login Password);
- (d) to destroy the original printed copy of the Login Password;
- (e) to change the initial Login Password when the Customer first uses i-Banking Services and to change the Login Password periodically; and
- (f) not to leave the electronic devices (including without limitation computer and mobile phone) and/or the Security Device unattended while using i-Banking Services;

(iv) The Customer shall notify the Bank of any change of address and/or email address as soon as practicable;

(v) The Customer shall immediately report to the Bank any loss or unauthorized disclosure of the Access Code, the Security Device, the Security Code and/or the Digital Certificate by phone and confirm in writing thereafter within 24 hours or such other period as the Bank may prescribe from time to time;

(vi) The Customer agrees and acknowledges that the Customer shall be fully responsible for any accidental or unauthorized disclosure of the Access Code, the Security Code and/or the Digital Certificate to any other person;

(vii) The Customer shall not, and shall not attempt to tamper with, modify, decompile, disassemble, reverse-engineer, damage, alter or gain unauthorized access to any part of i-Banking Services or the Website or any software comprised in them or the Security Device;

(viii) The Customer will be responsible for any and all access to and use of i-Banking Services using the Customer's Access Code, the Security Code and/or the Digital Certificate (as the case may be), until the Customer has given the Bank such written notice of loss;

(ix) The Customer will not, and will not attempt to, access, use, break or hack into any part of the Bank's telecommunications or computer systems, sites, servers, data areas, software, the Security Device and/or information or materials;

(x) The Customer will and is under a duty to notify the Bank as soon as practicable if the Customer receives an acknowledgement (whether by hard copy or by electronic or verbal means) of a Transaction which the Customer has not instructed or if there is inconsistency with the Instructions;

(xi) The Customer will comply with all relevant laws, these terms and conditions and any relevant Service Conditions, all as may be supplemented, amended or replaced from time to time;

(xii) The Customer agrees to pay all reasonable fees and charges prescribed by the Bank in connection with the provision or use of i-Banking Services and the Bank is entitled at any time and without giving notice or obtaining consent from the Customer to set-off or transfer any credit balance in any Accounts of the Customer towards satisfaction of any indebtedness or liabilities by the Customer to the Bank arising out of or in connection with the use of i-Banking Services.

(xiii) The Customer hereby consents that the Bank may send e-Statement to the Customer via i-Banking Services or if requested by the Customer hard copy statement of the Account to the Customer.

7. Disclaimer & Limitation of Liability

7.1 The Bank makes no representation or warranty of any kind, express, implied or statutory regarding i-Banking Services and the Website or the information or materials contained or referred to in the Website or otherwise provided via i-Banking Services. To the fullest extent permitted by law, the Bank hereby expressly excludes and disclaims any condition, representation, warranty or responsibility of any kind relating to i-Banking Services and/or such information and materials, whether express or implied, by statute or otherwise, including without limitation, any such condition, representation, warranty or responsibility regarding the title, fitness for a particular purpose, merchantability or standard of quality of i-Banking Services and/or such information and materials, that they will be accurate or free of errors or omissions, that they will not infringe any third party rights, that they will be available and uninterrupted at any particular time, free of computer viruses, adhere to any particular performance standards or that any instruction to or information requested from the Website and/or via the Bank's i-Banking Service will be acted upon, delivered to or received by the Customer at any time or at all.

7.2 The information and materials contained on the Website or otherwise provided via the Bank's i-Banking Services is provided for information only and should not be used as a basis for making business decisions. Any advice or information received via the Website or otherwise provided via the Bank's i-Banking Services should not be relied upon without consulting primary sources of information and obtaining specific professional advice. Save and except due to the negligence or wilful default of the Bank, the Bank's authorized officers, employees or agents, the Bank accepts no liability for any loss or damage arising directly or indirectly from action taken, or not taken, in reliance on information or materials contained on the Website or otherwise provided via the Bank's i-Banking Services. In particular, no warranty is given that economic reporting information, materials or data is accurate, reliable or up to date.

7.3 Save and except due to the negligence or wilful default of the Bank, the Bank's authorized officers, employees or agents, the Bank is not liable for any loss or damage arising directly or indirectly (including special, incidental or consequential loss or damage) from the Customer's use of the Website and i-Banking Services including any loss, damage or expense arising from, but not limited to, any defect, error, fault, mistake or inaccuracy with the Website, its contents or the Bank's i-Banking Services, or due to any unavailability of the Website or any part thereof or any contents or the Bank's i-Banking Services.

7.4 The Customer downloads any software from the Website at the Customer's own risk. Save and except due to the negligence or wilful default of the Bank, the Bank's authorized officers, employees or agents, the Bank neither assumes nor accepts liability for any loss or damage, whether direct or indirect, howsoever caused, as a result of any computer viruses or similar disruptions arising from the Customer's use of and/or download of software from the Website.

7.5 Hyperlink Policy:

(i) Hyperlinks from the Website of the Bank to websites outside the Bank:
The Bank provides hyperlinks from the Website of the Bank to other websites on the Internet for information purposes only. These hyperlinks lead to third party websites which are in no way affiliated with or related to the Bank. The Bank is not responsible for making enquiries, investigating and/or verifying the contents of such third party websites and the Bank does not warrant the security of any information which the Customer may forward or be requested to provide to any third party via such websites. The Bank's inclusion of hyperlinks to the third party websites does not and in no way represent any forms of recommendation, endorsement, approval, guarantee or introduction of any third parties or their products or services that they provide or any form of co-operation between the Bank and any third parties unless otherwise expressly stated by the Bank. Further, the Bank is not a party to any contractual arrangements that the Customer and the provider of the third party website or any third party that the Customer may enter into unless otherwise expressly specified or agreed to by the Bank. The Bank may also provide hyperlinks to third party websites which contain downloadable software for convenience purposes only. The Bank shall in no way be responsible for any difficulties that the Customer may encounter in downloading or installing such software or for any consequences arising out of or in connection of doing so. Please be reminded that the use of any software downloaded from the Internet may be governed by a licence agreement. The Bank shall in no way be responsible for any infringement of the intellectual property rights of the relevant software provider. Without accepting any obligation or responsibility on part of the Bank, the Customer is reminded to observe the terms of such software licence agreement. Please be reminded that when the Customer leaves the Website of the Bank and visits other websites, he will be subject to the terms and privacy policies of the websites he is visiting. The Bank accepts no liability for any loss or damage arising directly or indirectly (including consequential loss) from the accuracy or otherwise of information or materials contained in the third party websites or loss arising directly or indirectly from defects with such sites.

(ii) Hyperlinks from the Website of the Bank to websites of the subsidiaries of the Bank:
The Bank may provide hyperlinks to the websites of its subsidiaries. These websites may be created elsewhere in different jurisdictions and under different governing laws. The products and services offered on these websites may be limited to person of a specific location and jurisdiction. In addition, there may be differences in the terms governing the use of these websites and special attention must be paid to the specific terms and conditions before using these websites.

(iii) Hyperlinks from external websites to the Website of the Bank:
If any third party wants to create a hyperlink to the Website of the Bank, it must obtain the prior written approval of the Bank. The Bank may, at its absolute discretion, grant or refuse to grant such approval without providing any reason therefor. The Bank may only approve a hyperlink which only displays the Bank's name or the website address. Except in very exceptional circumstances and possibly subject to the payment of a

fee which the Bank may in its absolute discretion determine, the Bank will not approve any use or display of the Bank's logo, trade names, trademarks or whatever that can be reasonably inferred as the Bank. The Bank may without providing any reason therefor rescind any approval granted at its absolute discretion, and require the removal of any links to its Website at any time. Any link to its Website must be made directly to the home or front page of its website, and "framing" or "deep-linking" of its website or contents thereof is prohibited. The Bank is not responsible for the setup of any hyperlink from third party website to any websites of the Bank or for the accuracy of the contents of such third party website. Such links shall not constitute any endorsement by the Bank or any co-operation between the Bank and the third party website. The Bank accepts no liability for any loss or damage arising directly or indirectly (including consequential loss) with such links.

7.6 The Bank does not guarantee that any communications from or to the Website and/or via the Bank's phone-banking services will be sent to the Customer or received by the Bank nor does the Bank warrant the privacy and/or security of such communications during transmission.

7.7 The Customer acknowledges that there are risks inherent in using i-Banking Services but agrees that the benefits justify these risks and the Customer shall waive any claim the Customer might have against the Bank because of :

(i) Any failure of systems or equipment (whether or not provided by the Bank) including telecommunications services and facilities;

(ii) The Bank's acceptance of any unauthorized Instructions which appear (or which the Bank believes) to be from the Customer;

(iii) Delays in the implementation of Instructions from the Customer;

(iv) Delays in delivery or availability of, or failure to deliver or make available, any part of i-Banking Services;

(v) Delays in despatch or delivery of, or failure to despatch or deliver, any notice or information provided or requested via i-Banking Services or any inaccuracy, error or omission in or from any such notice or in or from any information contained in any such notice;

(vi) The Customer's failure to use i-Banking Services in accordance these terms and conditions;

(vii) The Customer's reliance, use or otherwise acting upon any information or materials provided via i-Banking Services.

7.8 The Bank's liability for any particular incident or series of related incidences shall, in any event, not exceed the amount of the relevant transaction, instruction or direction (or series of relevant transactions, instructions or directions) or the amount of direct damages suffered by the Customer, whichever is the less.

7.9 Provided that the Customer has not been dishonest or negligent, the Customer will not be liable for any unauthorized transaction which has been executed through i-Banking Services as a result of:

(i) someone using the Customer's Access Code, the Security Device, the Security Code and/or the Digital Certificate (as the case may be) after the Customer has notified the Bank in writing of the loss or theft or of such Access Code, the Security Device, the Security Code and/or the Digital Certificate (as the case may be);

(ii) computer crime which is not prevented by the Bank's security system;

(iii) fraud or negligence of the Bank and its staff.

Once the Bank is satisfied that the unauthorized transaction was executed as a result of one of the three factors listed above, the Customer is entitled to request for a reverse of the relevant entry and any bank charges incurred by the Customer arising therefrom.

8. Digital Certificate and Signature

8.1 The Customer shall at its own costs and expenses apply for one or more Digital Certificates from the Approved Certification Authority through the Bank and shall at the like costs and expenses ensure it shall hold a valid Digital Certificate all the time throughout the continuance of engaging or using the Bank's i-Banking Services.

8.2 The Customer warrants and agrees that all information furnished to the Bank and/or the Approved Certification Authority for the application of the Digital Certificates shall be true, accurate and complete in all respects and be updated by the Customer when necessary. The Customer hereby consents to the disclosure of all information furnished to the relevant parties involved in the application procedures.

8.3 The Customer shall use the Digital Certificate only for the purposes authorized by the Bank and the Approved Certification Authority and such use shall be in strict compliance with the terms and conditions and regulations prescribed by the Bank and the Approved Certification Authority.

8.4 The Customer shall acquire a sufficient understanding of the operation of Digital Signature, Digital Certificate and cryptography and all other technology associated with the use of the Digital Certificate and Digital Signature.

8.5 The Customer hereby warrants and agrees that any and all of its Digital Signatures which is supported by a Digital Certificate and is generated within the validity of that Digital Certificate shall be as valid and effective as the signature of the Customer in all respects.

8.6 In no circumstance shall the Customer acquire any title, copyright or other intellectual property rights in the Digital Certificate.

8.7 The Customer acknowledges and agrees that certain functions or features of i-Banking Services may require a Digital Signature supported by a valid Digital Certificate for the Customer to give Instruction and if at any time the Customer shall fail to hold a valid Digital Certificate, it would not be able to use such functions or features.

9. Security Device and Security Code

9.1 The Bank may require the Customer to use a Security Device for using certain functions or features of i-Banking Services. The Customer shall apply to the Bank for a Security Device subject to the acceptance of the Bank at its sole discretion and any terms and conditions prescribed by the Bank from time to time. The Bank has the right to charge the Customer a fee as determined by the Bank from time to time for the issuance of the Security Device.

9.2 The Customer shall ensure that the activation process of the Security Device is completed within the activation period where necessary. The Customer must follow the directions and procedures as specified by the Bank from time to time relating to device activation and the use of certain functions or features of i-Banking Services using the Security Device, failing which the Customer may not be allowed to use certain functions or features of i-Banking Services.

9.3 The Customer shall use the Security Device in a proper manner and shall notify the Bank immediately of any loss, damage, failure or unauthorized use of the Security Device. Except due to the negligence or wilful default of the Bank, the Bank shall not be liable for any loss, damage or expenses of any kind which may be incurred by the Customer in connection with any use, loss, damage, failure, defect, malfunctioning or breakdown of the Security Device.

9.4 The Customer shall request the Bank to replace the Security Device if it malfunctions, runs out of battery or is lost. The Bank has the right to charge the Customer a replacement fee as determined by the Bank from time to time if the Security Device is physically damaged or lost.

9.5 The Customer shall acquire a sufficient understanding of the operation of Security Device and Security Code.

9.6 Any Security Device is and shall at all times remain the property of the Bank and be issued at the Bank's discretion. In no circumstance shall the Customer acquire any title, copyright or other intellectual property rights in the Security Device. The Security Device shall be returned to the Bank or disposed of in accordance with the Bank's instructions upon the request of the Bank, termination of the i-Banking Services or replacement of the Security Device.

10. Indemnity

10.1 The Customer agrees to indemnify the Bank against any action, liability, cost, claim, loss, damage, proceeding or expense (including legal fees, costs and expenses on a full indemnity basis and other expenses reasonably incurred) incurred or suffered by the Bank which is directly or indirectly related to the Customer's access to the use of the Website and/or i-Banking Services and/or any other person or entity's use of the Website and/or i-Banking Services where such person or entity was able to access the Website and/or i-Banking Services using the Customer's Access Code, the Security Code and/or the Digital Certificate (as the case may be); or any breach or non-observance of any of these terms and conditions by the Customer or by any other person or entity where such person or entity was able to access and use i-Banking Services and/or the Website by using the Customer's Access Code, the Security Code and/or the Digital Certificate (as the case may be).

11. Use and Disclosure of Personal Data

11.1 To the extent permitted by law, the Customer agrees that any and all personal data relating to the Customer collected by the Bank from time to time may be used and disclosed in accordance with the Bank's current Privacy Policy.

11.2 The Bank may arrange for all telephone calls to i-Banking Services to be recorded. Such recordings will be used for training and quality control purposes and (if required) as evidence in legal proceedings.

12. Termination & Suspension

12.1 The Bank may terminate the Customer's access to the Website and/or the Customer's use of any or all of i-Banking Services at any time, with or without cause. In the event of partial termination, the Customer's rights and obligations will continue under these terms and conditions and any relevant Service Conditions in respect of any unterminated i-Banking Services. The Bank will try to give the Customer notice before the Bank does any of the aforementioned acts where it is reasonable and practicable to do so. If the Bank does not give the Customer a notice before the Bank exercises its rights under this Clause 12.1, the Bank will give the Customer a notice afterwards.

12.2 The Customer can terminate i-Banking Services provided for by the Bank by giving written notice and paying any fees or charges due to the Bank.

12.3 On termination of i-Banking Services in its entirety the Bank will cease to provide access to and use of i-Banking Services to the Customer; any and all licenses and other rights and privileges granted to the Customer under these presents will cease; and the Customer will not be entitled to any refund of any fees or charges paid to the Bank. Termination of i-Banking Services will not affect any of the Bank's accrued rights or liabilities.

12.4 The Bank reserves the right, at any time, with or without notice, to suspend all or part of the i-Banking Services to carry out system maintenance, upgrading, testing and/or repairs; or if the Bank determines that the Customer has breached any of these terms and conditions or the Service Conditions.

13. Intellectual Property Rights

13.1 The Customer acknowledges and agrees that the Proprietary Information, the Website and all software comprised therein are the proprietary property of the Bank and the respective Information Providers and may not be copied, downloaded, distributed or published in any way without prior written consent of the Bank.

13.2 In relation to any information or materials which the Customer submits to the Bank using the Website and/or via the Bank's phone-banking services, the Customer grants to the Bank a world-wide royalty-free perpetual license of the copyright and intellectual property rights in such information or materials for any purpose unless restricted by applicable law.

14. Jurisdiction and Restrictions

14.1 These terms and conditions are governed by the laws of Hong Kong, and any dispute is subject to the non-exclusive jurisdiction of the Courts of Hong Kong.

14.2 i-Banking Services may be prohibited or restricted in certain countries. It is the Customer's responsibility to find out what those restrictions are and observe them. The Bank does not offer to provide i-Banking Services to persons or entities resident in countries whose laws prohibit the use of i-Banking Services.

14.3 The Bank operates i-Banking Services from Hong Kong and makes no representation that the information and materials contained or accessible via i-Banking Services is appropriate or available for use in other countries.

14.4 In the event of any inconsistency between the English and Chinese versions of these terms and conditions, the English version shall prevail.