

Foreign Currency Time Deposit (Currency of Emerging Markets), Limited
Application Period Type: Pre-account Opening Risk Explanation Form
and Product Fact Sheet

募集期間限定型外貨定期預金(エマージング国通貨建て)

契約締結前交付書面 兼 商品説明書 (兼 外貨預金等書面)

(This is a "Document to be delivered prior to the Execution of the Contract" as well as "Document on Foreign Currency Deposits etc." required to be delivered pursuant to applicable laws and regulations.)

PLEASE READ THIS DOCUMENT CAREFULLY

- Foreign Currency Time Deposit is a foreign currency denominated deposit (deposit denominated in any currency other than Japanese yen ("JPY" or "yen")), in which the deposit tenure is fixed at the time of deposit, and, in principle, pre-maturity cancellation is not allowed.
- Foreign currency deposit carries a foreign exchange fluctuation risk. Due to possible fluctuations, the yen equivalent amount of the amount actually received in a foreign currency could be smaller than the original amount in JPY at the time of foreign currency deposit contract (i.e. there is a risk of loss of the principal on a JPY basis).

- When you convert JPY into a foreign currency (at the time of deposit), or a foreign currency into JPY (at the time of withdrawal), a one-way foreign currency exchange fee is levied according to the Foreign Exchange Fees Schedule below. At the time of deposit and withdrawal, TTS rate (for deposit) or TTB rate (for withdrawal) prescribed by the Bank will be applied (exchange fees are included in these rates). Therefore, even if there is no foreign exchange fluctuation, there is a risk that the JPY equivalent amount of the amount actually received in a foreign currency could be smaller than the original amount in JPY at the time of foreign currency deposit contract (i.e. there is a risk of loss of the principal on a JPY basis) due to our two-way (selling and buying) foreign currency exchange fee as specified in the Foreign Exchange Fees Schedule below.
- Foreign currency deposit carries a foreign exchange fluctuation risk. Due to possible foreign exchange fluctuation, the JPY equivalent amount of the amount actually received in a foreign currency could be smaller than the original amount in JPY at the time of foreign currency deposit contract (i.e. there is a risk of loss of the principal on a JPY basis).
- Singapore dollar, Mexican peso, South African rand, Russian ruble, Turkish lira, Danish krone, Norwegian krone, Swedish krona, Czech koruna, Hungarian forint, Polish zloty, UAE dirham, Kuwaiti dinar, Thai baht and Chinese yuan are currencies of the emerging markets. In general, these currencies have a lower supply and are less traded in the market compared with the currencies of the developed markets. Therefore, they involve the risk of substantial fluctuation in exchange rates, or even the impossibility of transacting foreign exchange due to the market condition or political situation in the relevant country, among other factors.

- With regard to a Foreign Currency Time Deposit of Limited Application Period Type, if the total application amount during an application period does not reach the amount required by the Bank for investment in the market, the deposit will not be established and the funds will be returned to the customer's Multi Currency Savings Account of the same currency.
- Further, in case the Automatic Renewal Type is designated as the method of handling at maturity, if the total application amount during the relevant application period does not reach the amount required by the Bank for investment in the market, the deposit will not be renewed and the funds will be returned to the customer's Multi Currency Savings Account of the same currency.

- Bank Name, Address in Japan, Where to call
 The Hongkong and Shanghai Banking Corporation Limited
 HSBC building, 11-1 Nihonbashi 3-chome, Chuo-ku, Tokyo 103-0027
 For any inquiry, please contact our branches or HSBC Premier Call Centre (English 0120-777-268)

Product Fact Sheet

As of 1 April 2011

Name	Foreign Currency Time Deposit (Currency of Emerging Markets), Limited Application Period Type	
Description	Foreign Currency Time Deposit of the Limited Application Period Type is a foreign currency denominated deposit (deposit denominated in a currency other than Japanese yen) with deposit tenure fixed at the time when the contract is made, and its application is accepted only during the application period prescribed by the Bank. In principle, pre-maturity cancellation is not allowed. If the total application amount during an application period does not reach the amount required by the Bank for investment in the market, the deposit will not be established and the funds will be returned by the Bank to the customer's Multi Currency Savings Account of the same currency.	
Deposit Insurance	Deposits with the Bank are not covered by the Deposit Insurance System in Japan.	
Term	<p>1 week, 2 weeks, 1 month, 2 months, 3 months or 6 months. Limited only to the period(s) offered during the respective application periods (as separately announced by the Bank). Automatic Renewal Type (principal and interest renewal type / principal renewal type) and Non-Renewal Type are available. If on any deposit maturity date the total amount of funds drops below the amount required by the Bank for investment in the market, Automatic Renewal Type deposit will not be renewed on such maturity date and the funds will be returned to the customer's Multi Currency Savings Account of the same currency on the same date.</p> <p>* Automatic principal and interest renewal type: Foreign currency time deposit of the same term as the previous deposit is automatically created. The interest on the previous deposit is added to the principal of the renewal deposit.</p> <p>* Automatic principal renewal type: Foreign currency time deposit of the same principal and the same term as the previous deposit is a automatically created. The interest is credited either to yen Savings Account or Multi Currency Savings Account of the same currency as designated in advance.</p> <p>* Non-renewal type: The principal is credited to Multi Currency Savings Account of the same Currency. The interest is credited either to yen Savings Account or Multi Currency Savings Account of the same currency as designated in advance.</p> <p>✳ After the principal and interest being credited to the relevant Savings Account, the applicable savings account interest rate will be applied.</p>	
Qualified Depositors	Individuals (Limited only to customers to whom the Bank considers the deposit is suitable)	
Deposit	i) Method of deposit	Lump sum deposit from yen Savings Account or Multi Currency Savings Account in the same currency
	ii) Subject Currencies and Minimum Deposit Amount	Please see "Schedule of Subject Currencies, Minimum Deposit Amount and Foreign Exchange Fees" below.

	iii) Deposit Unit	1 sub-currency unit
Method of Payment	Lump sum repayment on the maturity date or later to Multi Currency Savings Account. * For Automatic Renewal Type (Principal & Interest Renewal Type or Principal Renewal Type), Customer will need to apply for the maturity cancellation as prescribed by the Bank prior to the maturity date. * For Non-Renewal Type and in case the application for maturity cancellation is made for Automatic Renewal Type, the principal and interest will be automatically credited to the designated account at around 10:30am on the maturity date. Please contact the HSBC Premier Centre or HSBC Premier Call Centre in case you wish to request the fund to be credited between 9:00am and 10:30am on the maturity date.	
Interest	i) Applicable interest rate	Interest rate at the time of deposit (or renewal) is applied until the maturity date. For interest rates, please ask our counter staff. Interest rates announced during an application period are subject to change according to market fluctuation at the time of establishment of the deposit.
	ii) Interest payment	Lump sum payment on or after the maturity date.
	iii) Calculation Method	Interest will be calculated on the unit of one sub-currency unit, on a daily prorated basis over a 365-day year.
Tax	Interest income will be subject to the 20% withholding tax (national tax 15%, local tax 5%). The tax-free small sum savings system ("Maruyu") is not applicable.	
Taxation on Foreign Exchange Profit	Foreign exchange profit is considered as miscellaneous income, which is subject to consolidated taxation through final declaration. Provided, however, if the Customer is a salaried person whose annual salary income is 20 million yen or less, and whose annual non-salary income including foreign exchange profit is 200,000 yen or less, no declaration is required. Foreign exchange loss cannot be deducted from regular income except miscellaneous income. For further details, please consult with your accountant and/or tax accountant.	
Fee and Charges	Please see "Schedule of Subject Currencies, Minimum Deposit Amount and Foreign Exchange Fees" below.	
Special Clause to be added	Not applicable	
Handling of Cancellation before Maturity	In principle, pre-maturity cancellation is not allowed. If the Bank considers and accept it unavoidable and agrees to the cancellation before maturity by the customer, the interest rate to be applied for the period from the deposit date to the cancellation date shall become zero percent (0%), and only the principal will be credited to the Multi Currency Savings Account of the same currency.	
Authorised Investor Protection Body which the Bank is subject to	Nil.	
Designated Dispute Resolution Body which the Bank has concluded an agreement with	一般社団法人全国銀行協会 (Japanese Bankers Association) Contact information: JBA Customer Relations Center Phone 0570-017109 or 03-5252-3772	

Schedule of Subject Currencies, Minimum Deposit Amount and Foreign Exchange Fees

Currency	Minimum Deposit Amount	Foreign Exchange Fee	Currency	Minimum Deposit Amount	Foreign Exchange Fee
SGD Singapore dollar	10,000	0.80	SEK Swedish krona	20,000	0.40
MXN Mexican peso	50,000	1.00	CZK Czech koruna	100,000	0.12
ZAR South African rand	50,000	1.50	HUF Hungarian forint	1,000,000	0.02
TRY Turkish lira	5,000	7.50	PLN Polish zloty	10,000	1.20
RUB Russian ruble	100,000	0.25	AED United Arab Emirates dirham	10,000	0.68
DKK Danish krone	50,000	0.30	KWD Kuwaiti dinar	5,000	8.00
NOK Norwegian krone	50,000	0.30	THB Thai baht	100,000	0.08

* Fee in yen per Foreign Currency Unit, in one-way. Discounted foreign currency exchange fees may apply depending on the transaction amount or the transaction channel.