

**Foreign Currency Time Deposit (Turkish Lira / South African Rand):
Pre-Account Opening Risk Explanation Form and Product Fact Sheet**

外貨定期預金 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 that of the amount initially deposited at the time of foreign currency deposit contract (i.e. there is a risk of loss of 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 as described in the Product Fact Sheet is levied on each conversion. 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 such respective 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 that of the amount originally deposited at the time of foreign currency deposit contract (i.e. there is a risk of loss of principal on a JPY basis) due to our two-way (selling and buying) foreign currency exchange fees.
 - 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 that of the amount initially deposited at the time of foreign currency deposit contract (i.e. there is a risk of loss of principal on a JPY basis).
 - Turkish Lira and South African Rand 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 economic or market condition or political situation in the relevant countries, among other factors.

- Pre-maturity cancellation is not allowed, including after automatic renewal. If the Bank deems that there are circumstances that are truly unavoidable (e.g. inheritance, bankruptcy, substantial part of the assets being lost or damaged by force majeure such as natural disaster, or other material changes in the status of the Customer) 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 0% (zero percent), and only the principal will be credited to the 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

For any inquiries, please contact our branches or HSBC Premier Call Centre (English 0120-777-268)

Product Fact Sheet

as of 1 April, 2011

Product Name	Foreign Currency Time Deposit (Turkish Lira / South African Rand)	
Brief Description of Product	Foreign Currency Time Deposit in Turkish Lira or South African Rand with deposit tenure fixed at the time when the contract is made. In principle, pre-maturity cancellation is not allowed.	
Deposit Insurance	Deposits with the Bank are not covered by the Deposit Insurance System in Japan.	
Deposit tenure	<p>1-month, 2-months, 3-months, 6-months, 9-months, or 12-months Automatic renewal type (Principal & Interest Renewal Type / Principal Renewal Type) and Non-Renewal Type are available. (For 12-months deposit, only Non-Renewal Type is available.)</p> <p>* Automatic Principal & Interest Renewal Type: Foreign Currency Time Deposit of the same deposit tenure as the previous deposit is automatically created. The interest on the previous deposit is added to the principal of the renewed deposit.</p> <p>* Automatic Principal Renewal Type: Foreign Currency Time Deposit of the same principal and the same deposit tenure as the previous deposit is 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 Yen Savings Account, or the Multi Currency Savings Account, the applicable savings account interest rate will be applied.</p>	
Eligible Customer	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	Turkish Lira: TRY 100,000 South African Rand: ZAR500,000
	iii) Deposit Unit	One sub-currency unit
	iv) Deposit Date	In principal, Deposit Date shall be 1 business day after the application date. The application fund will be held in the Multi Currency Savings Account or the Yen Savings Account until the Deposit Date, and will not

	be made available for withdrawal or for other transactions.					
Method of Repayment	Principal will be repaid in lump sum on or after the maturity date into Multi Currency Savings Account in the same currency. * 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 enquire the HSBC Premier Centre or HSBC Premier Call Centre.				
	ii) Payment Method	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.					
Fees and Charges	Foreign Exchange Fees (one way, yen per 1 currency unit)					
	Turkish Lira	Below 10,000	7.50	South African Rand	Below 50,000	1.50
		10,000 or more and below 100,000	0.80		50,000 or more and below 500,000	0.40
		100,000 or more	0.40		500,000 or more	0.20
Special Clause to be added	Not applicable					
Handling of Cancellation before Maturity	Pre-maturity cancellation is not allowed, including after automatic renewal. If the Bank deems that there are circumstances that are truly unavoidable (e.g. inheritance, bankruptcy, substantial part of the assets being lost or damaged by force majeure such as natural disaster, or other material changes in the status of the Customer) 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 0% (zero percent), 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					