

APPENDIX TO SUPPLEMENTAL TERMS AND CONDITIONS FOR INTEREST RATE-LINKED STRUCTURED INVESTMENT DEPOSITS (SID)

Appendix Code: CNY002

This Appendix should only be issued in conjunction with the fact sheet.

Structured Investment Deposit – Callable Range Accrual Deposit

Terms at a glance (key terms of the product for your quick reference)

SID Deposit Currency:	CNY
SID Deposit Period:	1 month (0.0833333333333333 year)
Interest Rate Reference Index:	3 months
Interest Rate:	{Accrual Rate x Days Within Accrual Range / Total Calendar Days}
Accrual Rate:	4.10 % p.a.
Call Feature:	The Bank may, at its option, uplift the SID Deposit in whole, but not in part, on any Interest Payment Date (such date being the Early Termination Date) months after the SID Deposit Date and quarterly thereafter, by giving the Customer not less than two Business Days' notice prior to the relevant Interest Payment Date.

The above is a summary of the material terms of this SID Deposit, and must be read at all times in conjunction with the more detailed terms and conditions set out in the section headed "Detailed Terms" below.

Detailed Terms

SID Deposit Currency:	CNY
Minimum Deposit Size:	CNY 1,000.00
SID Deposit Period:	1 month (0.0833333333333333 year)
Cut-Off Time:	5.30pm (Hong Kong time)
Cut-Off Date:	Date on which the trade is executed
SID Deposit Date:	Indicatively, on or about 12 Jul 2011, but in any event no later than 19 Jul 2011 (Hong Kong & Sydney Business Day)
SID Maturity Date:	SID Deposit Date + SID Deposit Period (Hong Kong & Sydney Business Day) (or the last Interest Payment Date, whichever is later, subject to the Call Feature)
Interest Rate:	{Accrual Rate x Days Within Accrual Range / Total Calendar Days}
Accrual Rate:	4.10% p.a.
Accrual Range:	(Boundaries inclusive)
Y%:	Such rate* as may be determined by the Bank at its sole discretion no later than the Cut-off Time on the Cut-Off Date (and confirmed in the SID deposit confirmation advice) provided that such rate shall not be lower than NaN% . (* Latest indicative level for : NaN%)
Days Within Accrual Range:	The total number of calendar days within the Interest Period upon which fixes within the Accrual Range (boundaries inclusive).
Total Calendar Days:	The total number of calendar days within the Interest Period.
:	In respect of a calendar day in an Interest Period, the average mid rate for having a tenor of 3 months, which appears on Reuters Screen Page at approximately , time, on that day, provided that (i) if such day is not a banking day, the rate on the previous banking day shall prevail and (ii) in respect of an Interest Period, the rate on the second banking day prior to the immediately following Roll Date shall apply in respect of all calendar days from and including that day to but excluding that Roll Date. If such rate does not appear on the Reuters Screen Page on a calendar day for whatever reasons, such rate shall be determined by the Bank in its absolute discretion.
Roll Dates:	The day which falls on 3 months after the SID Deposit Date and quarterly thereafter (no adjustment) up to and including the SID Maturity Date or, if applicable, the Early Termination Date.
Interest Periods:	Quarterly, from and including one Roll Date to but excluding the next Roll Date provided that the first Interest Period shall commence from and include the SID Deposit Date to but exclude the first Roll Date. Interest payable in respect of each Interest Period shall be calculated by reference to the following formula: Principal Amount of the SID Deposit x Interest Rate / 4
Interest Payment Dates:	Interest is payable quarterly in arrears in respect of each Interest Period on the Roll Date falling immediately after such Interest

Period with Modified Following Business Day Convention.

Business Day: Hong Kong & Sydney **

Principal Redemption: 100% of the principal amount of the SID Deposit on the SID Maturity Date, or if applicable, the Early Termination Date, subject to the "Early Redemption by Customers" provisions stated below.

Call Feature: The Bank may, at its option, uplift the SID Deposit in whole, but not in part, on any Interest Payment Date (such date being the Early Termination Date), months after the SID Deposit Date and quarterly thereafter, by giving the Customer not less than two Business Days' notice prior to the relevant Interest Payment Date.

If such call is exercised, the Bank shall terminate the SID Deposit and pay to the Customer on the Early Termination Date an amount equal to the principal amount of the SID Deposit plus accrued and unpaid interest for the Interest Period corresponding to the Interest Payment Date on which the call is exercised.

- Early Redemption by Customers:
- (i) The Customer shall (subject to the terms hereof) be entitled to redeem the SID Deposit in whole but not in part on any Early Redemption Date after the Early Redemption Period Start Date.
 - (ii) The Bank will, acting in good faith, provide upon request on each Hong Kong Business Day after the Early Redemption Period Start Date, an indication of the early redemption price (stated as a percentage of the principal amount of the SID Deposit). *
 - (iii) Where the Customer elects to redeem early, the customer shall give notice thereof to the Bank on any Hong Kong Business Day. Such notice where given before an Early Redemption Cut-Off Time shall be deemed to relate to and be effective upon the next Early Redemption Cut-Off Time after such notice, and any such notice given at an Early Redemption Cut-Off Time shall be deemed to relate to and be effective upon that Early Redemption Cut-Off Time.
 - (iv) The Bank shall after receiving such notice determine the relevant Early Redemption Amount and credit such amount to the customer's disposal account on the Early Redemption Date relating to the relevant Early Redemption Cut-Off Date. For the avoidance of doubt, the Early Redemption Amount takes into account any accrued and unpaid interest for that Interest Period up to but excluding the Early Redemption Date, and as such, no other interest payment shall be payable.
- Early Redemption Period Start Date: 6 months after the SID Deposit Date
- Early Redemption Cut-Off Time: 12.15 pm (Hong Kong Time) on an Early Redemption Cut-Off Date
- Early Redemption Valuation Time: 3.30 pm (Hong Kong Time) on an Early Redemption Cut-Off Date
- Early Redemption Cut-Off Date: Each 15th and last calendar day of each month (or if such day is not a Business Day in Hong Kong, the next following day that is a Hong Kong Business Day).
- Early Redemption Date: The day which is two Hong Kong & Reference Currency Business Days after the relevant Early Redemption Cut-Off Date.
- Early Redemption Amount: The product of (i) the principal amount of the SID Deposit and (ii) the early redemption price as quoted by the Bank as of the relevant Early Redemption Valuation Time.
- Reference Currency Business Day: A day on which banks are open for business in the principal financial centre in respect of the SID Deposit Currency set out above in which the SID Deposit is made.

Apart from this, under special circumstances, the Bank has the right to accept your ad-hoc early redemption request at its sole discretion and on a case by case basis. The Bank will provide an indication of the redemption price upon such request. Your return upon such early redemption will likely be lower than that if the deposit were held until maturity and may be negative.

Fees & Charges: Nil#

** To the extent that any date on which payment is due is specified to be adjusted in accordance with any applicable business day convention, the Customer will not be entitled to any additional interest or other payment in respect of each adjustment.

For your reference, if CNY 1,000.00 is placed in a 3-month CNY time deposit@ on 24 Feb 2017 at around 7:00pm, the interest rate / yield is 0.46% p.a.

For the avoidance of doubt, no costs other than those set out above (if any) will be payable by the Customer in respect of this SID Deposit. Operational, administrative and hedging costs (etc) have already been contained and subsumed within the calculation of the Return and/or other variables of this SID Deposit.

*** Your attention is drawn to the fact (a) that the Early Redemption Amount is determined by reference to the early redemption price as at the relevant Early Redemption Valuation Time, which will be at or after the time at which you give notice of Early Redemption and (b) that the Early Redemption Amount may be less than the principal amount of the SID Deposit.**

@ This is the product with the closest tenor as the SID deposit quoted in this Appendix.

Issued by The Hongkong and Shanghai Banking Corporation Limited

利率掛鈎結構投資存款的補充條款附錄

附錄代號: **CNY002**

本附錄只可與資料概覽一併刊發。

結構投資存款 - 可贖回累計波幅存款

條款概覽 (產品的主要條款摘要如下, 僅供參考。)

結構投資存款貨幣:	人民幣
結構投資存款期:	1 個月 (0.0833333333333333 年)
掛鈎利率參考指標:	3 個月
利率:	{ 累計息率 x 處於累計範圍內的日數 / 曆日總數 }
累計息率:	年利率4.10%
提早終止:	本行可由結構投資存款的存款日期後的第個月起, 及之後每季選擇在任何利息支付日(該日稱為提早終止日)提早還付全數(而非部分)存款, 而本行將在不少於該利息支付日之前兩個營業日通知客戶。
上述為此結構投資存款的主要條款摘要, 必須與下列「詳細條款」部分內所列明的條款及細則詳情一併閱讀。	

詳細條款

結構投資存款貨幣:	人民幣
最低存款額:	人民幣1,000.00
結構投資存款期:	1 個月 (0.0833333333333333 年)
截止時間:	下午5時30分 (香港時間)
截止日期:	交易當天
結構投資存款的存款日期:	擬訂為2011年7月12日或該日之前後, 但在任何情況下不遲於2011年7月19日 (香港及悉尼營業日)
結構投資存款的到期日:	相等於結構投資存款的存款日期 + 存款期 (香港及悉尼營業日) (或最後利息支付日, 以較遲日期為準, 設有提早終止機制)
利率:	{ 累計息率 x 處於累計範圍內的日數 / 曆日總數 }
累計息率:	年利率 4.1%
累計範圍:	(包括範圍首尾息率)
Y%:	該息率*由本行最遲於截止日期的截止時間全權決定(並將在結構投資存款確認書內列明), 條件是此息率不會低於Na%。 (* 於Na年Na月Na日的最新參考息率為Na%)
處於累計範圍內的日數:	於計息期內處於累計範圍內(包括範圍首尾息率)的曆日總數。
曆日總數:	計息期內的曆日總數。
:	就計息期間之日曆日而言, 指於該日期時間左右顯示於路透社 頁面之 3個月期 平均中位利率, 惟 (i) 倘該日並非銀行營業日, 則以上一個銀行營業日之利率為準及 (ii) 就計息期間而言, 則應為於緊接記錄日之前第二個銀行營業日適用有關自該日期(包括該日)起至記錄日(不包括該日)期間所有日曆日之利率。 如該利率於任何曆日因任何原因並無於路透社 頁面顯示, 則將由本行全權酌情釐定。
記錄日:	結構投資存款的存款日期之後3個月及其後每季(不作調整), 至結構投資存款到期日(包括該日)或提早終止日(如適用)。
計息期:	每季一次, 由一個記錄日(包括該日)起計至下一個記錄日(不包括該日), 條件是第一個計息期將由結構投資存款的存款日期起計(包括該日)至第一個記錄日期(不包括該日)。 每個計息期的利息將參照下列程式計算: $\text{結構投資存款本金款額} \times \text{利率} / 4$
利息支付日:	利息每季於計息期末緊接著該計息期的記錄日派發, 根據經調整的營業日慣例。
營業日:	香港及悉尼 **

本金贖回：	本銀行在結構投資存款到期日或於提早終止日期(如適用)償還100%的結構投資存款本金。 (須遵照下列「客戶提早贖回」條款)
提早終止：	本行可由結構投資存款的存款日期後的第個月起，及之後每季選擇在任何利息支付日(該日稱為「提早終止日」)提早還付全數(而非部分)存款，而本行將在不少於該利息支付日之前兩個營業日通知客戶。 倘若提早終止權被行使，本行將會終止此結構投資存款，並於提早終止日還付本金及在該利息支付日的計息期內任何累計而仍未支付的利息於客戶。
客戶提早贖回：	<p>(i) 客戶(在本附錄條款規限下)有權於提早贖回期開始日期(不包括該日)之後的任何提早贖回日期贖回所有(而非其中部分)結構投資存款。</p> <p>(ii) 於提早贖回日期開始日期之後的每個香港營業日，本行會應要求秉誠提供結構投資存款的贖回參考價格(「提早贖回價格」)，價格以結構投資存款的百分率顯示。*</p> <p>(iii) 倘若客戶選擇提早贖回存款，客戶須於任何香港營業日通知本行。倘若有關通知是在提早贖回截止時間之前發出，應被視作關乎且於緊接在發出通知後的下一個提早贖回截止時間生效，而任何於提早贖回截止時間發出的通知，則被視作關乎且於該提早贖回截止時間生效。</p> <p>(iv) 接獲有關通知後，本銀行將釐定有關提早贖回金額，並於提早贖回截止日期之後的有關提早贖回日期將該金額存入客戶的處理戶口。為免生疑問，提早贖回金額將計算截至該計息期(但不包括提早贖回日期)所累計的利息，就此，本銀行將不會支付其它利息予客戶。</p> <p>提早贖回期開始日期： 結構投資存款的存款日期之後6個月</p> <p>提早贖回截止時間： 提早贖回截止日期正午12時15分(香港時間)</p> <p>提早贖回估值時間： 提早贖回截止日期下午3時30分(香港時間)</p> <p>提早贖回截止日期： 每月第十五日及最後一個曆日(或倘若該日並非香港營業日，則為緊接的下一個香港營業日)。</p> <p>提早贖回日期： 有關提早贖回截止日期過後第2個香港及參考貨幣營業日。</p> <p>提早贖回金額： (i) 結構投資存款本金額乘以 (ii) 本銀行於有關提早贖回估值時間所報之提早贖回價格。</p> <p>參考貨幣營業日： 上列結構投資存款貨幣於主要金融中心的銀行營業日子。</p> <p>除此之外，在特殊情況下，本行有權利及完全酌情因應個別情況決定接受您的特別提早贖回申請。接獲有關申請後，本行將提供參考贖回價格。提早贖回時的回報可能低於存款一直存放至到期日的回報，亦有可能出現負回報。</p>
費用及收費：	無#

** 若任何支付日須將會根據適用的慣常營業日作出調整，客戶將不會就此調整收到任何額外利息或款項。

僅供參考，若1,000.00人民幣於2017年2月24日約下午7:00存入作為/以認購3個月的人民幣定期存款@，年利率/年華息率為0.46%。

為免生疑問，除上述列明之收費外(如有)，結構投資存款的客戶毋須支付任何費用。運作、行政及對沖等費用，已被包含及納入在計算結構投資存款回報及/或結構投資存款其他變數之內。

* 請注意：(a) 提早贖回金額參照客戶發出提早贖回通知時或隨後於有關提早贖回估值時間之提早贖回價格釐定及(b) 提早贖回金額或會少於結構投資存款的本金額

@ 與附錄列述的結構投資存款年期最相近的產品

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