

24 November 2017

Customer Notification
Merger of Retail and Private Banking Businesses

Dear Customer

We are pleased to inform you that the Bank of Communications (Hong Kong) Limited (Merger) Ordinance (the "Ordinance") has been promulgated as an ordinance in Hong Kong. According to the Ordinance, the retail banking business and private banking business of Bank of Communications Co., Ltd. Hong Kong Branch ("Bank of Communications, Hong Kong Branch") in Hong Kong will merge into Bank of Communications (Hong Kong) Limited. The merger will take effect on 29 January 2018 (the "Appointed Day"). A copy of the Ordinance is available on the website of Bank of Communications, Hong Kong Branch at <http://www.bankcomm.com.hk>.

As of the date of this notification, you are a valued customer of our corporate banking business according to our books and records. Accordingly, we would like to notify you that your account(s) with Bank of Communications, Hong Kong Branch will **not** be affected by the above merger. The existing businesses of Bank of Communications, Hong Kong Branch, other than its retail banking business and private banking business which will be transferred to Bank of Communications (Hong Kong) Limited, will remain with Bank of Communications, Hong Kong Branch. Bank of Communications, Hong Kong Branch will retain its full banking licence to operate as a licensed bank in Hong Kong. We will continue to provide you with the existing services and there will not be any change to the existing arrangements between you and Bank of Communications, Hong Kong Branch, save for certain selected services including FX Margin Trading, Securities Trading, Securities Margin Trading Service, Investment Fund, Telephone Banking, Internet Banking, Safe Deposit Box, ATM Card, Credit Card, Gift Card and Gift Cheque will no longer be available from the Appointed Day. In addition, from the Appointed Day, accounts / services of the bank will be altered due to system and business enhancement. Please refer to the details of services termination and changes in the enclosed "Customer Service Booklet".

To provide better and more efficient banking services to customers, we have been keeping all products and services under regular review, and necessary amendments will be made to the relevant charges, terms and conditions. Please be informed of the following latest changes effective on the Appointed Day:

1. Adjustment of Charges of Banking Services

Our fee schedule will be revised as follows (as the underlined below):

- a. Rename the fee schedule and replace the name of "Charges of Retail Banking Services" by "Charges of Banking Services"
- b. The service fees and charges will be revised as follows:

| Services | Item / Charge |
|---|--|
| Current Account (Applicable to HKD, USD and RMB Current Account) | Revised the item to " <u>Stop Payment on Cheque (Corporate Internet Banking Transaction)</u> " from "Stop Payment on Cheque (Internet Transaction)" |
| Savings Account | Deletion of "Service Fee - Average balance below HK\$5,000 equivalent (Starts from the Account Day of the previous month to the Account Day before the last Account Day of the current month)" |
| eSavings Deposit Account | Deletion of the item |

| Services | Item / Charge |
|--|---|
| ATM Card/Dual Currency Card/HKD China UnionPay Card | Deletion of the item |
| Credit Card | Deletion of the item |
| Safe Deposit Box | Deletion of the item |
| Autopay (Debit Service) | Added charge item "Upload Batch Document – Autopay – Out (Corporate Internet Banking Transaction)": Credit into our bank's A/C - HK\$0.1 / RMB0.1 per record Credit into other bank's A/C - HK\$1 / RMB1 per record |
| Collection Service (Credit Account) | Added charge item "Upload Batch Document – Autopay – In (Corporate Internet Banking Transaction)": HK\$1 / RMB1 per record |
| Autopay of Payroll Service | Revised the item to " <u>USB</u> " from "Diskette Instruction/USB" |
| | Added charge item "Upload Batch Document – Payroll (Corporate Internet Banking Transaction)": Credit into our bank's A/C - HK\$0.1 / RMB0.1 per record Credit into other bank's A/C - HK\$1 / RMB1 per record |
| Autopay (Debit Service) - CUP Cross Border Autopay Service | Deletion of the item |
| BComBEST Services | Deletion of the item |
| BOCOM FORTUNE Services | Deletion of the item |
| Taxi Financing | Deletion of the item |
| DreamCash Personal Loan / Tax Loan | Deletion of the item |
| General Services | Deletion of item "Cash withdrawal, Transfer and CHATS Outward through Savings or Current Account - The number of transactions conducted over our branch /sub-branch counter exceeds the 'Free monthly transaction count' as time to time specified by us" |
| | Replacing "Request for Personal Data" by "Request for Customer Data" |
| | Deletion of "Gift Cheque" |
| | Deletion of "Gift Card" |
| | Deletion of "Foreign Currency Notes Exchange (Renminbi excluded) - Non-Bank Customers" |
| | Deletion of "Renminbi Currency Notes Exchange - Non-Bank Customers" |
| | Deletion of "Cross Border Accounts Enquiry - Set up enquiry function/ Set up authorization for enquiry" |
| | Deletion of "BOCOM Account (Mainland) (Online Instant Transfer)" |
| | Revised the item to " <u>CHATS (Corporate Internet Banking Transaction)</u> " from " <u>CHATS (Internet Transaction)</u> " |
| | Revised the item to " <u>Electronic Clearing Transfer (Corporate Internet Banking Transaction)</u> " from "Electronic Clearing Transfer (Internet Transaction)" |

| Services | Item / Charge |
|--|--|
| Outward Remittances | Revised the item to “ <u>Telegraphic Transfer via Internet Banking (Corporate Internet Banking Transaction)</u> ” from “Telegraphic Transfer (Internet transaction)” |
| | Deletion of “Standing Instruction submitted by Overseas Chinese customer through mail” |
| | Deletion of “Regular Remittances (usually upon a fixed period) under the ‘Social Security Schemes’ provided by Social Welfare Department” |
| Loan Services | Deletion of “Note 1 of Application fee (Secured Loans)” |
| Investment Funds/ Debt Instrument Investment Services | Deletion of the content of “Investment Funds” |

2. Amendment of General Terms and Conditions for Banking Services

The General Terms and Conditions for Banking Services will be amended as follows:

| Amendment | Clauses |
|--|---|
| Deletion (Referring to original clause number of the Terms & Conditions) | Part A: Common Terms and Conditions Clauses 2.5(c), 2.5(d), 2.6, 4.13 |
| | Part B: Specific Terms and Conditions – Schedule I Terms and Conditions for Accounts Clauses 21.2, 21.3 |
| | Schedule II Terms and Conditions for ATM Services |
| | Schedule III Terms and Conditions for Internet Banking, Mobile Banking, Phone Banking and SMS Service (except clause 18), merging clause 18 into Part B: Specific Terms and Conditions – Schedule I Terms and Conditions for Accounts as clause 24 of revised Terms & Conditions. |
| Revision (Referring to clause number of the revised Terms & Conditions) | Part A: Common Terms and Conditions Clauses 1.1, 2.4(c), 4.1(c), 4.2(a), 5.1, 5.2, 5.7, 5.8(b), 10.1, 10.2, 10.3, 10.8, 22 |
| | Part B: Specific Terms and Conditions – Schedule I Terms and Conditions for Accounts Clauses 2, 4.3, 4.4, 5.1(e), 6, 7.5, 10.1(b) |
| New Clause (Referring to clause number of the revised Terms & Conditions) | Part B: Specific Terms and Conditions – Schedule I Terms and Conditions for Accounts Clause 3 |

Please refer to the enclosed “General Terms and Conditions for Banking Services” for the details of the amendment.

3. Amendment of Terms and Conditions for General Investment Services

The Terms and Conditions for General Investment Services will be amended as follows:

| Amendment | Clauses |
|---|---|
| Deletion (Referring to original clause number of the Terms & Conditions) | Part A: General Provisions Clauses 5.9-5.20, 5.23-5.25, 6, 10.1, 11.6, 18.12, 18.16, 21.5, 21.6, 21.7(d), 21.7(e) |
| | Part B: Electronic Finance Services - Schedules I, II, III and V, merging Schedule IV into Part A: General Provisions as Schedule I of revised Terms & Conditions. |
| | Part C: Investment Accounts Services Clauses 2.1(b)-2.1(d), 2.2, 2.3(j), 4.3, 6.3 |
| Revision (Referring to clause number of the revised Terms & Conditions) | Part A: General Provisions Clauses 1.1, 2.2, 2.6, 3.1, 3.8, 5.1, 5.6, 5.7(b), 5.8, 10.6, 10.9(a), 13.2, 13.3(h), 13.3(i), 14.2, 16.1, 16.2, 17.1(d), 17.2(a), 17.10, 19A.3, 20.4, 20.5(a), 20.7, 20.9, 20.10 |
| | Part B: Investment Accounts Services Clauses 1.1, 2.1(b), 4.4 |

Please refer to the enclosed "Terms and Conditions for General Investment Services" for the details of the amendment.

If the above change in circumstances does not meet your needs, you are entitled to close your account(s) or terminate any other banking service(s) with Bank of Communications, Hong Kong Branch.

Should you have any queries, please call our Customer Service Hotline at 398 77666 (or call 398 95559 from the Appointed Day), or visit any of our branches.

We would like to thank you for your continued support for our services. We will continue to keep you, our valued customer, updated on any changes or new benefits in connection with our services.

We endeavour to bring you the best banking experience available.

Yours faithfully,

Bank of Communications Co., Ltd. Hong Kong Branch

Enclosed please find the attachments:

- [Customer Service Booklet](#)
- [Charges of Banking Services](#)
- [Notice to Customers relating to the Personal Data \(Privacy\) Ordinance \(the "Ordinance"\)](#)
- [General Terms and Conditions for Banking Services](#)
- [Terms and Conditions for General Investment Services](#)