

IMPORTANT: This notice requires your immediate attention. If you have any questions about the contents of this notice, you should seek independent professional advice.

IMPORTANT

HSBC CHINA DRAGON FUND
滙豐中國翔龍基金

*a Hong Kong unit trust authorised under
section 104 of the Securities and Futures Ordinance
(Chapter 571 of the Laws of Hong Kong)*
(Stock Code: 820)

17 July 2017

Dear Valued Investor,

RE: HSBC China Dragon Fund – Additional Information Required for Anti-Money Laundering/Counter-Financing of Terrorism and Customer Due Diligence (“AML/CDD”)

We, the Manager of HSBC China Dragon Fund, are writing to you as an existing registered unitholder of HSBC China Dragon Fund.

AML/CDD information required

As financial institutions, the Manager and the Trustee are required to keep our policies and procedures concerning AML/ CDD under regular review. As part of that regular review, and in the spirit of the enhanced regulatory environment in Hong Kong, the Manager and the Trustee have reviewed the existing AML/CDD measures relevant to HSBC China Dragon Fund.

Accordingly, and in the context of, the Anti-Money Laundering and Counter Terrorist Financing (Financial Institutions) Ordinance, the related guidelines issued by the Securities and Futures Commission and the Hong Kong Monetary Authority¹, we hereby request you (or, for joint unitholders, each of you) to provide additional customer due diligence information listed in the Appendix to this letter (“**Additional CDD Information**”), no later than 17 August 2017, to HSBC Global Asset Management (Hong Kong) Limited, Level 22, HSBC Main Building, 1

¹ Guidelines on Anti-Money Laundering and Counter-Terrorist Financing issued by the Securities and Futures Commission and the Hong Kong Monetary Authority in April 2015 and March 2015 respectively

Queen's Road Central, Hong Kong, with "HSBC China Dragon Fund – PRIVATE AND CONFIDENTIAL" clearly marked on the envelope.

After the Manager and/or the Trustee has reviewed and assessed the Additional CDD Information provided, the Manager and/or the Trustee may require further AML/CDD information from you.

We appreciate your efforts in providing the Additional CDD Information to us.

Personal data

Kindly note that any Additional CDD Information to be provided by you pursuant to this letter will contain personal data as defined in the Personal Data (Privacy) Ordinance. We therefore draw your attention to the attached "Collection and Use of Customer Information, Financial Crime Risk Management Activity and Tax Compliance – Terms and Conditions" and "Notice relating to the Personal Data (Privacy) Ordinance" which, among other things, sets out the policies and practices for the Manager with regard to any personal data provided by you to us.

Enquiries

Investors who have any questions concerning this notice may contact the registrar of HSBC China Dragon Fund, Computershare at telephone number +852 2862 8555.

Yours sincerely,

**HSBC Global Asset Management (Hong Kong) Limited
Manager of HSBC China Dragon Fund**

**Appendix
Requested Documents**

1. a copy of your:
 - a. **if you are a Hong Kong permanent resident:** Hong Kong identity card; or
 - b. **if you are a non-permanent resident in Hong Kong:** Hong Kong identity card and proof of nationality which can be either one of the following: (i) valid travel document (e.g. passport), (ii) relevant national identity card bearing the individual's photograph or (iii) other government document which certifies nationality; or
 - c. **if you are a Hong Kong non-resident:** foreign travel document which contains the bearer's photograph, full name, date of birth and nationality; and
2. your residential address (and permanent address if different), together with a copy of a government correspondence, utility bill or bank statement issued within the last 3 months which can be used to verify such address.

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REPLY SLIP – HSBC CHINA DRAGON FUND
PLEASE DETACH AND RETURN WITH THE REQUESTED DOCUMENTS

I, _____ (*insert name of HSBC China Dragon Fund unitholder*), confirm that the following documents have been enclosed to this reply slip:

- (one of (a), (b) and (c))
1. a copy of my:
 - a. **(for a Hong Kong permanent resident):** Hong Kong identity card; or
 - b. **(for a non-permanent resident in Hong Kong):** Hong Kong identity card and proof of nationality which can be either one of the following: (i) valid travel document (e.g. passport), (ii) relevant national identity card bearing the individual's photograph or (iii) other government document which certifies nationality; or
 - c. **(for a Hong Kong non-resident)** foreign travel document which contains the bearer's photograph, full name, date of birth and nationality; and
 2. my residential address (and permanent address if different), together with a copy of a government correspondence, utility bill or bank statement issued within the last 3 months which can be used to verify such address.

Daytime Telephone Number*: _____

* Please provide a daytime telephone number as the Manager and the Trustee may contact you if further documents are required

Personal Information Collection Statement

Certain information or documents to be provided by you will constitute personal data as defined in the Personal Data (Privacy) Ordinance. Please read carefully the attached "Collection and Use of Customer Information, Financial Crime Risk Management Activity and Tax Compliance – Terms and Conditions" and "Notice relating to the Personal Data (Privacy) Ordinance" which, among other things, sets out the policies and practices of the Manager with regard to any personal data provided.



COLLECTION AND USE OF CUSTOMER INFORMATION, FINANCIAL CRIME RISK MANAGEMENT ACTIVITY AND TAX COMPLIANCE - TERMS AND CONDITIONS

DEFINITIONS

Capitalised terms used in these Terms shall have the following meanings and any references to the singular shall include the plural and vice versa, unless the context otherwise requires:

“Authorities” means any judicial, administrative or regulatory body, any government, or public or government agency, instrumentality or authority, any Tax Authority, securities or futures exchange, court, central bank or law enforcement body, or any agents thereof, having jurisdiction over any part of HSBC Group.

“Compliance Obligations” means obligations of any member of the HSBC Group to comply with: (a) any applicable local or foreign statute, law, regulation, ordinance, rule, judgment, decree, voluntary code, directive, sanctions regime, court order, agreement between any member of the HSBC Group and an Authority, or agreement or treaty between Authorities and applicable to HSBC or a member of the HSBC Group (**“Laws”**), or international guidance and internal policies or procedures, (b) any valid demand from Authorities or reporting, regulatory trade reporting, disclosure or other obligations under Laws, and (c) Laws requiring HSBC to verify the identity of our Customers.

“Connected Person” means a person or entity whose information (including Personal Data or Tax Information) is provided by, or on behalf of, the Customer to any member of the HSBC Group or otherwise received by any member of the HSBC Group in connection with the provision of the Services. In relation to the Customer, a **Connected Person** may include, but is not limited to, any guarantor of the Customer, a director or officer of a company, partners or members of a partnership, any “substantial owner”, “controlling person”, or beneficial owner, trustee, settler or protector of a trust, account holder of a designated account, payee of a designated payment, representative, agent or nominee of the Customer, or any other persons or entities having a relationship to the Customer that is relevant to its relationship with the HSBC Group.

“controlling persons” generally means individuals who exercise control over an entity (for a trust, these generally include the settlor, the trustee, the protector, the beneficiaries or class of beneficiaries, and any other individual(s) who exercises ultimate effective control over the trust, and in the case of a legal entity other than a trust, such term generally includes persons in equivalent or similar positions who exercise ultimate effective control over such entity), subject always to applicable local laws.

“Customer” means a person or entity to whom any member of the HSBC Group provides Services.

“Customer Information” includes without limitation any Personal Data, confidential information, and/or Tax Information of either the Customer or a Connected Person (including accompanying statements, waivers and consents).

“Financial Crime” includes without limitation money laundering, terrorist financing, bribery, corruption, tax evasion, fraud, evasion of economic or trade sanctions, and/or violations, or attempts to circumvent or violate any Laws or regulations relating to these matters.

“HSBC” means HSBC Global Asset Management (Hong Kong) Limited in its own capacity or acting for and on behalf of a fund or funds whether as manager, advisor, distributor or service provider.

“HSBC Group” means HSBC Holdings plc, and/or any of, its affiliates, subsidiaries, associated entities and any of their branches and offices including HSBC, and **“any member of the HSBC Group”** has the same meaning.

“Loss” means any claim, charge, cost (including, but not limited to, any legal or other professional cost), damages, debt, expense, tax, liability, obligation, allegation, suit, action, demand, cause of action, proceeding or judgment, however calculated or caused, and whether direct or indirect, consequential, punitive or incidental.

“Personal Data” shall bear the meaning attributable to it under the laws of the jurisdiction where such data is collected, used, or transferred (as the case maybe) and, unless otherwise specified, generally includes any data relating to a living individual (and corporate entities, in those countries outside Hong Kong where data privacy law applies to corporates), from which the individual can be identified and in a form where access to or processing of the data is practicable, and includes without limitation, sensitive personal data, name(s), residential address(es), contact information, age, date of birth, place of birth, nationality, citizenship, personal and marital status.

“Services” means, without limitation, (a) the opening, maintaining and closing of the Customer’s accounts with any member of the HSBC Group and/or any fund account(s), (b) the provision of any related investment products related



services and other services to the Customer (including, for example, securities dealing, investment advisory, asset management, corporate finance, broker, agency, custodian), processing applications, switching and redemption requests and product eligibility assessment, and (c) the maintenance of HSBC Group and/or HSBC's overall relationship with the Customer, including carrying out Customer's instructions, responding any as enquiry by the Customer, dealing in any other matters relating to the Customer's investment in the fund(s) market research and administrative purposes.

"substantial owners" generally means any individuals entitled to more than 10% of the profits of or with an interest of more than 10% in an entity either directly or indirectly, subject always to applicable local laws.

"Tax Authorities" means domestic or foreign tax, revenue, fiscal or monetary authorities.

"Tax Information" means any documentation or information (and accompanying statements, waivers and consents) relating, directly or indirectly, to the tax status of a Customer (regardless of whether that Customer is an individual or a business, non-profit or other corporate entity) and any owner, "controlling person", "substantial owner" or beneficial owner of a Customer, that any member of the HSBC Group considers, acting reasonably, is needed to comply (or demonstrate compliance, or avoid non-compliance) with any HSBC Group member's obligations to any Tax Authority. **"Tax Information"** includes, but is not limited to, information about: tax residence and/or place of organisation (as applicable), tax domicile, tax identification number, Tax Certification Forms, certain Personal Data (including name(s), residential address(es), age, date of birth, place of birth, nationality, citizenship).

"Tax Certification Forms" means any forms or other documentation as may be issued or required by a Tax Authority or by HSBC from time to time to confirm the tax status of an account holder or the Connected Person of an entity.

1. COLLECTION, PROCESSING AND SHARING OF CUSTOMER INFORMATION

These Terms explain how HSBC and other members of the HSBC Group may use any Customer Information. By using the Services, the Customer agrees that HSBC and members of the HSBC Group may use Customer Information in accordance with these Terms.

Customer Information will not be disclosed to anyone (including other members of the HSBC Group), other than where:

- HSBC is legally required to disclose;
- HSBC has a public duty to disclose;
- HSBC's or a recipient's (as described in paragraph 1.3 below) legitimate business purposes require disclosure;
- the disclosure is made with Customer consent; or
- it is disclosed as set out in the following Terms.

COLLECTION

1.1. HSBC and other members of the HSBC Group may collect, use and share **Customer Information** (including relevant information about the Customer, the Customer's transactions, the Customer's use of HSBC's products and services, and the Customer's relationships with the HSBC Group). **Customer Information** may be requested from the Customer (or a person acting on the Customer's behalf), or may also be collected by or on behalf of HSBC, or other members of the HSBC Group, from other sources (including from publically available information), generated or combined with other information available to HSBC or any member of the HSBC Group.

Any telephone conversation with HSBC and/or HSBC Group in connection with the Services may be recorded.

USE AND PROCESSING

1.2. HSBC and/or members of the HSBC Group may use, process, transfer (including transfers outside of Hong Kong) and/or disclose Customer Information in connection with the following Purposes: (a) providing Services and for any transactions requested or authorised by the Customer, (b) meeting Compliance Obligations, (c) conducting Financial Crime Risk Management Activity (defined in paragraph 3.1 below), (d) collecting any amounts due from the Customer, (e) enforcing or defending HSBC's, or a member of the HSBC Group's, rights, (f) for internal operational requirements of HSBC or the HSBC Group (including, without limitation, credit and risk management, system or product development and planning, insurance, audit and administrative purposes), (g) maintaining HSBC's and/or a member of the HSBC Group's overall relationship with the Customer, and or any other directly related purposes (the "Purposes").

SHARING

1.3. By using the Services, the Customer agrees that HSBC and/or members of the HSBC Group, as the case maybe, may (as necessary and appropriate for the Purposes) transfer and disclose any Customer Information to the following recipients (who may also use, process, transfer and/or disclose such Customer Information for the Purposes):

- a. any member of the HSBC Group;
- b. any sub-contractors, agents, service providers, or associates of the HSBC Group (including their employees, directors and officers);



- c. any Authorities who made a valid request to HSBC or a member of the HSBC Group;
- d. anyone acting on behalf of the Customer, payment recipients, beneficiaries, account nominees, intermediary, correspondent and agent banks, clearing houses, clearing or settlement systems, market counterparties, upstream withholding agents, swap or trade repositories, stock exchanges, companies in which the Customer has an interest in securities (where such securities are held by HSBC or other member of the HSBC Group for the Customer);
- e. any party acquiring an interest in or assuming risk in or in connection with the Services;
- f. other financial institutions;
- g. any third party fund manager who provides asset management services to the Customer; and/or
- h. in connection with any HSBC or any member of the HSBC Group's business transfer, disposal, merger or acquisition;

wherever located (in or outside Hong Kong), including in jurisdictions which do not have data protection laws that provide the same level of protection as the jurisdiction in which the Customer Information is collected or in which the Services are supplied.

CUSTOMER OBLIGATIONS

- 1.4. The Customer agrees to inform HSBC promptly, in writing if there are any changes to Customer Information supplied to HSBC or a member of the HSBC Group from time to time, and to respond to any request from, HSBC, or a member of the HSBC Group.
- 1.5. The Customer confirms that every Connected Person whose information (including Personal Data or Tax Information) they have provided to HSBC or a member of the HSBC Group has been notified of and has given their express and prescribed consent thereto and agreed to the collection, use, processing, disclosure and transfer of their information as set out in these Terms. The Customer also confirms that they have or shall without delay advise the relevant Connected Persons that they may have rights of access to, and correction of, any Personal Data provided in this context.
- 1.6. Provision of any Personal Data is voluntary. However, failure to supply such Personal Data may result in HSBC or the HSBC Group being unable to provide the Services. Where:
 - a Customer fails to provide Customer Information that HSBC or the HSBC Group reasonably requests, or
 - a Customer withholds or withdraws any consents which HSBC or the HSBC Group may need to process, transfer or disclose Customer Information for the Purposes, or
 - HSBC or a member of the HSBC Group has suspicions regarding the possible commission of Financial Crime or a Customer presents a potential Financial Crime risk to HSBC and/or a member of the HSBC Group,

HSBC and/or a member of the HSBC Group may:

- a. be unable to provide new, or continue to provide all or part of the, Services to the Customer and reserves the right to terminate its business relationship with the Customer;
- b. take actions necessary for HSBC or a member of the HSBC Group to meet the Compliance Obligations;
- c. delay the payment of any distribution and/or redemption proceeds; and/or
- d. block, transfer or close Customer account(s), to the extent permissible by law.

In addition, the failure of a Customer to supply their, or their Connected Person's, Tax Information and accompanying statements, waivers and/or consents, may result in HSBC and/or any member of the HSBC Group making its own decision with respect to the Customer's status, including whether to report such Customer to a Tax Authority, and may require HSBC and/or any member of the HSBC Group or other persons to withhold amounts as may be legally required by any Tax Authority and paying such amounts to any Tax Authority.

2. DATA PROTECTION

- 2.1. Whether it is collected, used and/or processed in a home jurisdiction or overseas, in accordance with applicable data protection legislation, Customer Information will be protected by a strict code of secrecy and security which all members of the HSBC Group, their staff and third parties are subject to.
- 2.2. Any collection, use or transfer of Personal Data in Hong Kong by HSBC and/or any member of the HSBC Group will be in accordance with the Hong Kong Personal Data (Privacy) Ordinance (as amended) (the "Ordinance"). Under the Ordinance, the subject of the Personal Data has the right to request HSBC and/or any member of the HSBC Group:
 - a. to respond to him/her as to whether HSBC and/or any member of the HSBC Group hold any Personal Data and provide access to such Personal Data;
 - b. correct any Personal Data relating to him/her which is inaccurate; and
 - c. describe any policies and practices in relation to Personal Data and inform him/her the kinds of Personal Data held by HSBC and/or any member of the HSBC Group.



HSBC and/or any member of the HSBC Group may charge a reasonable fee for processing the aforementioned data access request.

- 2.3. Requests for Personal Data access or correction and for information regarding policies and practices and kinds of data held may be made in writing to:

The Local Compliance Officer
HSBC Global Asset Management (Hong Kong) Limited
Level 22, HSBC Main Building
1 Queen's Road Central
Hong Kong

3. FINANCIAL CRIME RISK MANAGEMENT ACTIVITY

- 3.1. HSBC, and members of the HSBC Group, are required, and may take any action they consider appropriate in their sole and absolute discretion, to meet Compliance Obligations in connection with the detection, investigation and prevention of Financial Crime ("**Financial Crime Risk Management Activity**").

Such action may include, but is not limited to: (a) screening, intercepting and investigating any instruction, communication, drawdown request, application for Services, or any payment sent to or by the Customer, or on its behalf, (b) investigating the source of or intended recipient of funds (c) combining Customer Information with other related information in the possession of any member of the HSBC Group, and/or (d) making further enquiries as to the status of a person or entity, whether they are subject to a sanctions regime, or confirming a Customer's identity and status.

- 3.2. To the extent permissible by law, neither HSBC nor any other member of the HSBC Group shall be liable to the Customer or any third party in respect of any Loss whether incurred by the Customer or a third party in connection with the delaying, blocking or refusing of any payment or the provision of all or part of the Services or otherwise as a result of Financial Crime Risk Management Activity.

4. TAX COMPLIANCE

The Customer on its own behalf and on behalf of and each Connected Person acting in their capacity as a Connected Person (and not in their personal capacity) acknowledges, as the case maybe, that they are solely responsible for understanding and complying with their tax obligations (including but not limited to, tax payment or filing of returns or other required documentation relating to the payment of all relevant taxes) in all jurisdictions in which those obligations arise and relating to the opening and use of account(s) and/or Services provided by HSBC and/or members of the HSBC Group. The Customer on its own behalf and on behalf of each Connected Person acknowledges, as the case maybe, that certain countries may have tax legislation (including but not limited to the Inland Revenue Ordinance of Hong Kong and its provisions including those concerning automatic exchange of financial account information) with extra-territorial effect regardless of the Customer's or Connected Person's place of domicile, residence, citizenship or incorporation. The Customer on its own behalf and on behalf of each Connected Person also acknowledges, as the case maybe, that HSBC and/or any member of the HSBC Group does not provide tax advice. The Customer is advised to seek independent legal and/or tax advice. The Customer on its own behalf and on behalf of each Connected Person further acknowledges, as the case maybe, that HSBC and/or any member of the HSBC Group has no responsibility in respect of a Customer's tax obligations in any jurisdiction which they may arise including, without limitation, any that may relate specifically to the opening and use of account(s) and/or Services provided by HSBC and/or members of the HSBC Group.

5. USE OF PERSONAL DATA DIRECT MARKETING – FOR INDIVIDUALS

- 5.1. Customers who are individuals, should note that, subject to obtaining your consent (which includes an indication of no objection) and/or otherwise complying with applicable local laws, HSBC and/or HSBC Group may, from time to time, use your Personal Data namely: your name(s), residential address(es), email address(es) and other contact information for direct marketing of (a) collective investment schemes managed, advised, distributed or promoted by HSBC and/or by the HSBC Group, (b) asset management, investment advisory, wealth management or any other investment related services offered by HSBC and/or the HSBC Group, (c) other investment opportunity promoted by HSBC and/or by the HSBC Group, (d) other investment financial or investment providers or services promoted by HSBC and/or by the HSBC Group, (e) banking or financial services or related products and services including brokerage, agency, custodian and credit facilities or any other products or services directly related to the above promoted by HSBC and/or by the HSBC Group. HSBC and HSBC Group will not transfer such Personal Data to any third parties for direct marketing purposes without obtaining the relevant Customer's consent as required by applicable local laws.
- 5.2. You may, at any time and without charge, request that HSBC and HSBC Group not to use your Personal Data in direct marketing by sending your request to the relevant officer at the address provided in paragraph 2.3 above.



6. MISCELLANEOUS

- 6.1. In the event of any conflict or inconsistency between any of these Terms and those in any other service, product, business relationship, account or agreement between the Customer and HSBC, these Terms shall prevail. Any consents, authorisations, HSBC requested waivers and permissions that already exist, or are separately obtained, from the Customer in relation to Customer Information shall continue to apply in full force and effect, to the extent permissible by applicable local law.
- 6.2. If all or any part of the provisions of these Terms become illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that shall not affect or impair the legality, validity or enforceability of such provision in any other jurisdictions or the remainder of these Terms in that jurisdiction.
- 6.3. These Terms shall continue to apply notwithstanding their termination, any termination by HSBC or a member of the HSBC Group of the provision of any Services to the Customer or the closure of any Customer account.

Note: In case of discrepancies between the English and Chinese versions, the English version shall apply and prevail.

Notice relating to the Personal Data (Privacy) Ordinance (the “Ordinance”)

- (a) From time to time, it is necessary for individuals to supply the member(s) of the HSBC Group (HSBC Group means HSBC Holdings plc, and/or any of its affiliates, subsidiaries, associated entities and any of their branches and offices (together or individually) including HSBC Investment Funds (Hong Kong) Limited and HSBC Global Asset Management (Hong Kong) Limited and “member of the HSBC Group” has the same meaning) with data in connection with the opening or continuation of accounts and the establishment or continuation of fund or investment product facilities or provision of fund or investment product services or compliance with any laws, guidelines or requests issued by regulatory or other authorities.
- (b) Failure to supply such data may result in members of the HSBC Group being unable to open or continue accounts or establish or continue fund or investment product functions or facilities or provide fund or investment product services.
- (c) It is also the case that data are collected from (i) customers in the ordinary course of the continuation of the customer relationship (for example, when customers write cheques, deposit application proceeds or collect realisation proceeds, or otherwise deal in the relevant fund(s) or investment product(s)), (ii) a person acting on behalf of the individual whose data are provided, and (iii) other sources (for example, information obtained from agencies or in the continuation of the fund or investment product relationship). Data may also be generated or combined with other information available to any member of the HSBC.
- (d) The purposes for which data may be used are as follows:
 - (i) considering applications for products and services and the daily operation of products, services and facilities provided to customers;
 - (ii) conducting know your client and checks (customer due diligence) and upon periodic or special reviews thereof;
 - (iii) creating and maintaining any member of the HSBC Group’s credit and risk related models;
 - (iv) assisting other financial institutions to conduct similar checks;
 - (v) ensuring ongoing due diligence of customers;
 - (vi) designing financial services or related products for customers’ use;
 - (vii) marketing services, products and other subjects as described in (f) below;
 - (viii) collecting of amounts outstanding from customers;
 - (ix) meeting obligations, requirements or arrangements, whether compulsory or voluntary, of any member of the HSBC Group to comply with, or in connection with:
 - (1) any law, regulation, judgment, court order, voluntary code, sanctions regime, within or outside the Hong Kong Special Administrative Region (“**Hong Kong**”) existing currently and in the future (“**Laws**”) (e.g. the Inland Revenue Ordinance and its provisions including those concerning automatic exchange of financial account information);
 - (2) any guidelines, guidance or requests given or issued by any legal, regulatory, governmental, tax, law enforcement or other authorities, or self-regulatory or industry bodies or associations of financial services providers within or outside Hong Kong existing currently and in the future (e.g. guidelines, guidance or requests given or issued by the Inland Revenue Department including those concerning automatic exchange of financial account information) and any international guidance, internal policies or procedures;
 - (3) any present or future contractual or other commitment with local or foreign legal, regulatory, judicial, administrative, public or law enforcement body, or governmental, tax, revenue, monetary, securities or futures exchange, court, central bank or other authorities, or self-regulatory or industry bodies or associations of financial service providers or any of their agents with jurisdiction over all or any part of the HSBC Group (together the “**Authorities**” and each an “**Authority**”) that is assumed by, imposed on or applicable to any member of the HSBC Group; or
 - (4) any agreement or treaty between Authorities;
 - (x) complying with any obligations, requirements, policies, procedures, measures or arrangements for sharing data and information within the HSBC Group and/or any other use of data and information in accordance with any programmes for compliance with sanctions or prevention or detection of money laundering, terrorist financing or other unlawful activities;
 - (xi) conducting any action to meet obligations of any member of the HSBC Group to comply with Laws or international guidance or regulatory requests relating to or in connection with the detection, investigation and prevention of money laundering, terrorist financing, bribery, corruption, tax evasion, fraud, evasion of economic or trade sanctions and/or any acts or attempts to circumvent or violate any Laws relating to these matters;
 - (xii) meeting any obligations of any member of the HSBC Group to comply with any demand or request from the Authorities;

- (xiii) enabling an actual or proposed assignee of any member of the HSBC Group, or participant or sub-participant of any member of the HSBC Group's rights in respect of the customer to evaluate the transaction intended to be the subject of the assignment, participation or sub-participation; and
- (xiv) any purpose or purposes relating thereto.
- (e) Data held by any member of the HSBC Group relating to an individual will be kept confidential but any or a member of the HSBC Group may provide such information to the following parties (whether within or outside Hong Kong) for the purposes set out in paragraph (d):
 - (i) any agents, contractors, sub-contractors, service providers or associates of the HSBC Group (including their employees, directors, officers, agents, contractors, service providers, and professional advisers);
 - (ii) any third party service provider who provides administrative, telecommunications, computer, payment or securities clearing or other services to the HSBC Group in connection with the operation of its business (including their employees, directors and officers);
 - (iii) any Authorities;
 - (iv) any person under a duty of confidentiality to a member of the HSBC Group which has undertaken to keep such information confidential and to comply with applicable Hong Kong Laws;
 - (v) the drawee bank providing a copy of a paid cheque (which may contain information about the payee) to the drawer;
 - (vi) any persons acting on behalf of an individual whose data are provided, payment recipients, beneficiaries, account nominees, intermediary, correspondent and agent banks, clearing houses, clearing or settlement systems, market counterparties, upstream withholding agents, swap or trade repositories, stock exchanges, companies in which the customer has an interest in securities (where such securities are held by any member of the HSBC Group) or a person making any payment into the customer's account;
 - (vii) any person to whom any member of the HSBC Group is under an obligation or required or expected to make disclosure for the purposes set out in, or in connection with, paragraph (d)(ix), (d)(x) or (d)(xi);
 - (viii) any actual or proposed assignee of, or participant or sub-participant or transferee of any member of the HSBC Group's rights in respect of the customer; and
 - (ix)
 - (1) any member of the HSBC Group;
 - (2) third party financial institutions, insurers, securities and investment services providers;
 - (3) co-branding partners of any member of the HSBC Group (the names of such co-branding partners will be provided during the application process for the relevant services and products, as the case may be);
 - (4) charitable or non-profit making organisations; and
 - (5) external service providers (including but not limited to mailing houses, telecommunication companies, telemarketing and direct sales agents, call centres, data processing companies and information technology companies) that any member of the HSBC Group engages for the purposes set out in paragraph (d)(vii).

Such information may be transferred to a place outside Hong Kong.

(f) **Use of Data in Direct Marketing**

Any member of the HSBC Group may use a customer's data in direct marketing and the HSBC Group requires the customer's consent (which includes an indication of no objection) for that purpose. In this connection, please note that:

- (i) the name, contact details, products and other service portfolio information, transaction pattern and behavior, financial background and demographic data of a customer held by the HSBC Group from time to time may be used by the HSBC Group in direct marketing;
- (ii) the following classes of services, products and subjects may be marketed:
 - (1) financial, insurance, securities and investment services and related services and products;
 - (2) reward, loyalty, co-branding or privileges programmes and related services and products;
 - (3) services and products offered by the HSBC Group co-branding partners (the names of such co-branding partners will be provided during the application for the relevant services and products, as the case may be); and
 - (4) donations and contributions for charitable and/or non-profit making purposes;
- (iii) the above services, products and subjects may be provided by or (in the case of donations and contributions) solicited any member of the HSBC Group. The HSBC Group will not transfer such customer data to any third parties for direct marketing purposes without obtaining the relevant Customer's consent as required by applicable local laws.

If, after the customer has given his/her consent or indication of no objection, but subsequently the customer does not wish any member of the HSBC Group to use his data for use in direct marketing as described above, the customer may notifying the relevant officer at the address set out in paragraph (i) below.

- (g) Under and in accordance with the terms of the Ordinance, any individual has the right:
 - (i) to check whether any member of the HSBC Group holds data about him and of access to such data;
 - (ii) to require any member of the HSBC Group to correct any data relating to him which is inaccurate;
 - (iii) to ascertain any member of the HSBC Group's policies and practices in relation to data and to be informed of the kind of personal data held by any member of the HSBC Group.



- (h) In accordance with the terms of the Ordinance, any member of the HSBC Group has the right to charge a reasonable fee for the processing of any data access request.
- (i) The person to whom requests for access to data or correction of data or for information regarding policies and practices and kinds of data held are to be addressed as follows:
 - The Local Compliance Officer
 - HSBC Investment Funds (Hong Kong) Limited
 - HSBC Global Asset Management (Hong Kong) Limited
 - Level 22, HSBC Main Building
 - 1 Queen's Road Central
- (j) Nothing in this Notice shall limit the rights of customers under the Ordinance.

Note: In case of discrepancies between the English and Chinese versions, the English version shall apply and prevail.

IMPORTANT: This notice requires your immediate attention. If you have any questions about the contents of this notice, you should seek independent professional advice.

IMPORTANT

HSBC CHINA DRAGON FUND
滙豐中國翔龍基金

*a Hong Kong unit trust authorised under
section 104 of the Securities and Futures Ordinance
(Chapter 571 of the Laws of Hong Kong)*
(Stock Code: 820)

17 July 2017

Dear Valued Investor,

RE: HSBC China Dragon Fund – Additional Information Required for Anti-Money Laundering/Counter-Financing of Terrorism and Customer Due Diligence (“AML/CDD”)

We, the Manager of HSBC China Dragon Fund, are writing to you as an existing registered unitholder of HSBC China Dragon Fund.

AML/CDD information required

As financial institutions, the Manager and the Trustee are required to keep our policies and procedures concerning AML/ CDD under regular review. As part of that regular review, and in the spirit of the enhanced regulatory environment in Hong Kong, the Manager and the Trustee have reviewed the existing AML/CDD measures relevant to HSBC China Dragon Fund.

Accordingly, and in the context of, the Anti-Money Laundering and Counter Terrorist Financing (Financial Institutions) Ordinance, the related guidelines issued by the Securities and Futures Commission and the Hong Kong Monetary Authority¹, we hereby request you (or, for joint unitholders, each of you) to provide additional customer due diligence information listed in the Appendix to this letter (“**Additional CDD Information**”), no later than 17 August 2017, to HSBC Global Asset Management (Hong Kong) Limited, Level 22, HSBC Main Building, 1

¹ Guidelines on Anti-Money Laundering and Counter-Terrorist Financing issued by the Securities and Futures Commission and the Hong Kong Monetary Authority in April 2015 and March 2015 respectively

Queen's Road Central, Hong Kong, with "HSBC China Dragon Fund - PRIVATE AND CONFIDENTIAL" clearly marked on the envelope.

After the Manager and/or the Trustee has reviewed and assessed the Additional CDD Information provided, the Manager and/or the Trustee may require further AML/CDD information from you.

We appreciate your efforts in providing the Additional CDD Information to us.

Personal data

Kindly note that any Additional CDD Information to be provided by you pursuant to this letter will contain personal data as defined in the Personal Data (Privacy) Ordinance. We therefore draw your attention to the attached "Collection and Use of Customer Information, Financial Crime Risk Management Activity and Tax Compliance – Terms and Conditions" and "Notice relating to the Personal Data (Privacy) Ordinance" which, among other things, sets out the policies and practices for the Manager with regard to any personal data provided by you to us.

Enquiries

Investors who have any questions concerning this notice may contact the registrar of HSBC China Dragon Fund, Computershare at telephone number +852 2862 8555.

Yours sincerely,

**HSBC Global Asset Management (Hong Kong) Limited
Manager of HSBC China Dragon Fund**

Appendix Requested Documents

(A) For an individual

For an individual, please provide the following:

1. a copy of the following identification documents:
 - a. **if you are a Hong Kong permanent resident:** Hong Kong identity card; or
 - b. **if you are a non-permanent resident in Hong Kong:** Hong Kong identity card and proof of nationality which can be either one of the following: (i) valid travel document (e.g. passport), (ii) relevant national identity card bearing the individual's photograph or (iii) other government document which certifies nationality; or
 - c. **if you are a Hong Kong non-resident:** foreign travel document which contains the bearer's photograph, full name, date of birth and nationality; and
2. your residential address (and permanent address if different), together with a copy of a government correspondence, utility bill or bank statement issued within the last 3 months which can be used to verify such address.

(B) If you are a corporate

For a corporate, please provide the following:

1. a copy of the Certificate of Incorporation and Business Registration Certificate of the Company (where applicable);
2. a copy of the Company's memorandum and articles of association;
3. ownership structure chart of the Company;
4. the name(s) and address(es) of the beneficial owners of the Company;
5. the name of each of the directors of the Company, together with:
 - a. a copy of the identification documents of each director (please refer to item (A)(1)); and
 - b. the director's residential address (and permanent address if different), together with a government correspondence, utility bill or bank statement issued within the last 3 months which can be used to verify such address.
6. a copy of the following document, issued in the last six months, showing, that the Company is still registered and has not been dissolved, wound up, suspended or struck off:
 - a. **if the Company was incorporated in Hong Kong:** a certified true copy (by independent lawyers / accountants) of search report obtained from a Hong Kong Company Registry search;
 - b. **if the Company is incorporated outside Hong Kong:** either a similar company search report in the place of incorporation of the Company or a certificate of incumbency or equivalent document;

7. the registered office address of the Company;
8. documents evidencing the identity (please refer to item (A)(1)) and the authority (e.g. board resolutions or power of attorney) of the persons purporting to act on behalf of the Company; and
9. the identification documents and address proof (please refer to item (A)(1) and (A)(2)) for each of the beneficial owners (shareholders) holding 25% or more of the voting rights or share capital.

(C) *If you are a partnership or unincorporated bodies*

If you are a partnership or unincorporated bodies, please provide the following:

1. the full name;
2. the business address;
3. the names of all partners and individuals who exercise control over the management of the partnership or unincorporated body, and names of individuals who own or control not less than 10% of its capital or profits, or of its voting rights;
4. the identification documents (please refer to items under (A) for individual and (B) for corporate) for each of the beneficial owners of the partnership or unincorporated body;
 1. for partnership, beneficial owner means:
 - (i) an individual who:
 - (a) is entitled to or controls, directly or indirectly, not less than a 10% share of the capital or profits of the partnership;
 - (b) is, directly or indirectly, entitled to exercise or control the exercise of not less than 10% of the voting rights in the partnership; or
 - (c) exercises ultimate control over the management of the partnership; or
 - (ii) if the partnership is acting on behalf of another person, means the other person.
 2. for unincorporated body, beneficial owner means:
 - a. an individual who ultimately owns or controls the unincorporated body; or
 - b. if the unincorporated body is acting on behalf of another person, means the other person.
5. For partnership, a copy of the partnership deed; for unincorporated body, copy of constitutional document;
6. In cases where a partnership arrangement exists, a mandate from the partnership authorizing the opening of an account and conferring authority on those who will operate it.

(D) *If you are a trustee*

If you are a trustee on behalf of a trust, please provide the following:

1. a copy of the trust instrument (e.g. trust deed); or
a written confirmation from a trustee acting in a professional capacity; or
a written confirmation from a lawyer who has reviewed the relevant instrument; or

for trusts that are managed by the trust companies which are subsidiaries (or affiliate companies) of an financial institution, that financial institution may rely on a written confirmation from its trust subsidiaries (or trust affiliate companies);

2. the name of the trust;
3. date of establishment/settlement;
4. the jurisdiction whose laws govern the arrangement, as set out in the trust instrument;
5. the identification number (if any) granted by any applicable official bodies (e.g. tax identification number or registered charity or non-profit organization number);
6. identification information of trustee(s) - in line with guidance for individual (A) or corporate (B) or partnership or unincorporated bodies (C) (where appropriate);
7. identification information of settlor(s) and any protector(s) or enforcers in line with guidance for individual (A) or corporate (B) (where appropriate); and
8. identification information of known beneficiaries in line with guidance for individuals (A) or corporates (B). Known beneficiaries mean those persons or that class of persons who can, from the terms of the trust instrument, be identified as having a reasonable expectation of benefiting from the trust capital or income.

Personal Information Collection Statement

Certain information or documents to be provided by you will constitute personal data as defined in the Personal Data (Privacy) Ordinance. Please read carefully the attached “Collection and Use of Customer Information, Financial Crime Risk Management Activity and Tax Compliance – Terms and Conditions” and “Notice relating to the Personal Data (Privacy) Ordinance” which, among other things, sets out the policies and practices of the Manager with regard to any personal data provided.



COLLECTION AND USE OF CUSTOMER INFORMATION, FINANCIAL CRIME RISK MANAGEMENT ACTIVITY AND TAX COMPLIANCE - TERMS AND CONDITIONS

DEFINITIONS

Capitalised terms used in these Terms shall have the following meanings and any references to the singular shall include the plural and vice versa, unless the context otherwise requires:

“Authorities” means any judicial, administrative or regulatory body, any government, or public or government agency, instrumentality or authority, any Tax Authority, securities or futures exchange, court, central bank or law enforcement body, or any agents thereof, having jurisdiction over any part of HSBC Group.

“Compliance Obligations” means obligations of any member of the HSBC Group to comply with: (a) any applicable local or foreign statute, law, regulation, ordinance, rule, judgment, decree, voluntary code, directive, sanctions regime, court order, agreement between any member of the HSBC Group and an Authority, or agreement or treaty between Authorities and applicable to HSBC or a member of the HSBC Group (**“Laws”**), or international guidance and internal policies or procedures, (b) any valid demand from Authorities or reporting, regulatory trade reporting, disclosure or other obligations under Laws, and (c) Laws requiring HSBC to verify the identity of our Customers.

“Connected Person” means a person or entity whose information (including Personal Data or Tax Information) is provided by, or on behalf of, the Customer to any member of the HSBC Group or otherwise received by any member of the HSBC Group in connection with the provision of the Services. In relation to the Customer, a **Connected Person** may include, but is not limited to, any guarantor of the Customer, a director or officer of a company, partners or members of a partnership, any “substantial owner”, “controlling person”, or beneficial owner, trustee, settler or protector of a trust, account holder of a designated account, payee of a designated payment, representative, agent or nominee of the Customer, or any other persons or entities having a relationship to the Customer that is relevant to its relationship with the HSBC Group.

“controlling persons” generally means individuals who exercise control over an entity (for a trust, these generally include the settlor, the trustee, the protector, the beneficiaries or class of beneficiaries, and any other individual(s) who exercises ultimate effective control over the trust, and in the case of a legal entity other than a trust, such term generally includes persons in equivalent or similar positions who exercise ultimate effective control over such entity), subject always to applicable local laws.

“Customer” means a person or entity to whom any member of the HSBC Group provides Services.

“Customer Information” includes without limitation any Personal Data, confidential information, and/or Tax Information of either the Customer or a Connected Person (including accompanying statements, waivers and consents).

“Financial Crime” includes without limitation money laundering, terrorist financing, bribery, corruption, tax evasion, fraud, evasion of economic or trade sanctions, and/or violations, or attempts to circumvent or violate any Laws or regulations relating to these matters.

“HSBC” means HSBC Global Asset Management (Hong Kong) Limited in its own capacity or acting for and on behalf of a fund or funds whether as manager, advisor, distributor or service provider.

“HSBC Group” means HSBC Holdings plc, and/or any of, its affiliates, subsidiaries, associated entities and any of their branches and offices including HSBC, and **“any member of the HSBC Group”** has the same meaning.

“Loss” means any claim, charge, cost (including, but not limited to, any legal or other professional cost), damages, debt, expense, tax, liability, obligation, allegation, suit, action, demand, cause of action, proceeding or judgment, however calculated or caused, and whether direct or indirect, consequential, punitive or incidental.

“Personal Data” shall bear the meaning attributable to it under the laws of the jurisdiction where such data is collected, used, or transferred (as the case maybe) and, unless otherwise specified, generally includes any data relating to a living individual (and corporate entities, in those countries outside Hong Kong where data privacy law applies to corporates), from which the individual can be identified and in a form where access to or processing of the data is practicable, and includes without limitation, sensitive personal data, name(s), residential address(es), contact information, age, date of birth, place of birth, nationality, citizenship, personal and marital status.

“Services” means, without limitation, (a) the opening, maintaining and closing of the Customer’s accounts with any member of the HSBC Group and/or any fund account(s), (b) the provision of any related investment products related



services and other services to the Customer (including, for example, securities dealing, investment advisory, asset management, corporate finance, broker, agency, custodian), processing applications, switching and redemption requests and product eligibility assessment, and (c) the maintenance of HSBC Group and/or HSBC's overall relationship with the Customer, including carrying out Customer's instructions, responding any as enquiry by the Customer, dealing in any other matters relating to the Customer's investment in the fund(s) market research and administrative purposes.

"substantial owners" generally means any individuals entitled to more than 10% of the profits of or with an interest of more than 10% in an entity either directly or indirectly, subject always to applicable local laws.

"Tax Authorities" means domestic or foreign tax, revenue, fiscal or monetary authorities.

"Tax Information" means any documentation or information (and accompanying statements, waivers and consents) relating, directly or indirectly, to the tax status of a Customer (regardless of whether that Customer is an individual or a business, non-profit or other corporate entity) and any owner, "controlling person", "substantial owner" or beneficial owner of a Customer, that any member of the HSBC Group considers, acting reasonably, is needed to comply (or demonstrate compliance, or avoid non-compliance) with any HSBC Group member's obligations to any Tax Authority. **"Tax Information"** includes, but is not limited to, information about: tax residence and/or place of organisation (as applicable), tax domicile, tax identification number, Tax Certification Forms, certain Personal Data (including name(s), residential address(es), age, date of birth, place of birth, nationality, citizenship).

"Tax Certification Forms" means any forms or other documentation as may be issued or required by a Tax Authority or by HSBC from time to time to confirm the tax status of an account holder or the Connected Person of an entity.

1. COLLECTION, PROCESSING AND SHARING OF CUSTOMER INFORMATION

These Terms explain how HSBC and other members of the HSBC Group may use any Customer Information. By using the Services, the Customer agrees that HSBC and members of the HSBC Group may use Customer Information in accordance with these Terms.

Customer Information will not be disclosed to anyone (including other members of the HSBC Group), other than where:

- HSBC is legally required to disclose;
- HSBC has a public duty to disclose;
- HSBC's or a recipient's (as described in paragraph 1.3 below) legitimate business purposes require disclosure;
- the disclosure is made with Customer consent; or
- it is disclosed as set out in the following Terms.

COLLECTION

1.1. HSBC and other members of the HSBC Group may collect, use and share **Customer Information** (including relevant information about the Customer, the Customer's transactions, the Customer's use of HSBC's products and services, and the Customer's relationships with the HSBC Group). **Customer Information** may be requested from the Customer (or a person acting on the Customer's behalf), or may also be collected by or on behalf of HSBC, or other members of the HSBC Group, from other sources (including from publically available information), generated or combined with other information available to HSBC or any member of the HSBC Group.

Any telephone conversation with HSBC and/or HSBC Group in connection with the Services may be recorded.

USE AND PROCESSING

1.2. HSBC and/or members of the HSBC Group may use, process, transfer (including transfers outside of Hong Kong) and/or disclose Customer Information in connection with the following Purposes: (a) providing Services and for any transactions requested or authorised by the Customer, (b) meeting Compliance Obligations, (c) conducting Financial Crime Risk Management Activity (defined in paragraph 3.1 below), (d) collecting any amounts due from the Customer, (e) enforcing or defending HSBC's, or a member of the HSBC Group's, rights, (f) for internal operational requirements of HSBC or the HSBC Group (including, without limitation, credit and risk management, system or product development and planning, insurance, audit and administrative purposes), (g) maintaining HSBC's and/or a member of the HSBC Group's overall relationship with the Customer, and or any other directly related purposes (the "Purposes").

SHARING

1.3. By using the Services, the Customer agrees that HSBC and/or members of the HSBC Group, as the case maybe, may (as necessary and appropriate for the Purposes) transfer and disclose any Customer Information to the following recipients (who may also use, process, transfer and/or disclose such Customer Information for the Purposes):

- a. any member of the HSBC Group;
- b. any sub-contractors, agents, service providers, or associates of the HSBC Group (including their employees, directors and officers);



- c. any Authorities who made a valid request to HSBC or a member of the HSBC Group;
- d. anyone acting on behalf of the Customer, payment recipients, beneficiaries, account nominees, intermediary, correspondent and agent banks, clearing houses, clearing or settlement systems, market counterparties, upstream withholding agents, swap or trade repositories, stock exchanges, companies in which the Customer has an interest in securities (where such securities are held by HSBC or other member of the HSBC Group for the Customer);
- e. any party acquiring an interest in or assuming risk in or in connection with the Services;
- f. other financial institutions;
- g. any third party fund manager who provides asset management services to the Customer; and/or
- h. in connection with any HSBC or any member of the HSBC Group's business transfer, disposal, merger or acquisition;

wherever located (in or outside Hong Kong), including in jurisdictions which do not have data protection laws that provide the same level of protection as the jurisdiction in which the Customer Information is collected or in which the Services are supplied.

CUSTOMER OBLIGATIONS

- 1.4. The Customer agrees to inform HSBC promptly, in writing if there are any changes to Customer Information supplied to HSBC or a member of the HSBC Group from time to time, and to respond to any request from, HSBC, or a member of the HSBC Group.
- 1.5. The Customer confirms that every Connected Person whose information (including Personal Data or Tax Information) they have provided to HSBC or a member of the HSBC Group has been notified of and has given their express and prescribed consent thereto and agreed to the collection, use, processing, disclosure and transfer of their information as set out in these Terms. The Customer also confirms that they have or shall without delay advise the relevant Connected Persons that they may have rights of access to, and correction of, any Personal Data provided in this context.
- 1.6. Provision of any Personal Data is voluntary. However, failure to supply such Personal Data may result in HSBC or the HSBC Group being unable to provide the Services. Where:
 - a Customer fails to provide Customer Information that HSBC or the HSBC Group reasonably requests, or
 - a Customer withholds or withdraws any consents which HSBC or the HSBC Group may need to process, transfer or disclose Customer Information for the Purposes, or
 - HSBC or a member of the HSBC Group has suspicions regarding the possible commission of Financial Crime or a Customer presents a potential Financial Crime risk to HSBC and/or a member of the HSBC Group,

HSBC and/or a member of the HSBC Group may:

- a. be unable to provide new, or continue to provide all or part of the, Services to the Customer and reserves the right to terminate its business relationship with the Customer;
- b. take actions necessary for HSBC or a member of the HSBC Group to meet the Compliance Obligations;
- c. delay the payment of any distribution and/or redemption proceeds; and/or
- d. block, transfer or close Customer account(s), to the extent permissible by law.

In addition, the failure of a Customer to supply their, or their Connected Person's, Tax Information and accompanying statements, waivers and/or consents, may result in HSBC and/or any member of the HSBC Group making its own decision with respect to the Customer's status, including whether to report such Customer to a Tax Authority, and may require HSBC and/or any member of the HSBC Group or other persons to withhold amounts as may be legally required by any Tax Authority and paying such amounts to any Tax Authority.

2. DATA PROTECTION

- 2.1. Whether it is collected, used and/or processed in a home jurisdiction or overseas, in accordance with applicable data protection legislation, Customer Information will be protected by a strict code of secrecy and security which all members of the HSBC Group, their staff and third parties are subject to.
- 2.2. Any collection, use or transfer of Personal Data in Hong Kong by HSBC and/or any member of the HSBC Group will be in accordance with the Hong Kong Personal Data (Privacy) Ordinance (as amended) (the "Ordinance"). Under the Ordinance, the subject of the Personal Data has the right to request HSBC and/or any member of the HSBC Group:
 - a. to respond to him/her as to whether HSBC and/or any member of the HSBC Group hold any Personal Data and provide access to such Personal Data;
 - b. correct any Personal Data relating to him/her which is inaccurate; and
 - c. describe any policies and practices in relation to Personal Data and inform him/her the kinds of Personal Data held by HSBC and/or any member of the HSBC Group.



HSBC and/or any member of the HSBC Group may charge a reasonable fee for processing the aforementioned data access request.

- 2.3. Requests for Personal Data access or correction and for information regarding policies and practices and kinds of data held may be made in writing to:

The Local Compliance Officer
HSBC Global Asset Management (Hong Kong) Limited
Level 22, HSBC Main Building
1 Queen's Road Central
Hong Kong

3. FINANCIAL CRIME RISK MANAGEMENT ACTIVITY

- 3.1. HSBC, and members of the HSBC Group, are required, and may take any action they consider appropriate in their sole and absolute discretion, to meet Compliance Obligations in connection with the detection, investigation and prevention of Financial Crime ("**Financial Crime Risk Management Activity**").

Such action may include, but is not limited to: (a) screening, intercepting and investigating any instruction, communication, drawdown request, application for Services, or any payment sent to or by the Customer, or on its behalf, (b) investigating the source of or intended recipient of funds (c) combining Customer Information with other related information in the possession of any member of the HSBC Group, and/or (d) making further enquiries as to the status of a person or entity, whether they are subject to a sanctions regime, or confirming a Customer's identity and status.

- 3.2. To the extent permissible by law, neither HSBC nor any other member of the HSBC Group shall be liable to the Customer or any third party in respect of any Loss whether incurred by the Customer or a third party in connection with the delaying, blocking or refusing of any payment or the provision of all or part of the Services or otherwise as a result of Financial Crime Risk Management Activity.

4. TAX COMPLIANCE

The Customer on its own behalf and on behalf of and each Connected Person acting in their capacity as a Connected Person (and not in their personal capacity) acknowledges, as the case maybe, that they are solely responsible for understanding and complying with their tax obligations (including but not limited to, tax payment or filing of returns or other required documentation relating to the payment of all relevant taxes) in all jurisdictions in which those obligations arise and relating to the opening and use of account(s) and/or Services provided by HSBC and/or members of the HSBC Group. The Customer on its own behalf and on behalf of each Connected Person acknowledges, as the case maybe, that certain countries may have tax legislation (including but not limited to the Inland Revenue Ordinance of Hong Kong and its provisions including those concerning automatic exchange of financial account information) with extra-territorial effect regardless of the Customer's or Connected Person's place of domicile, residence, citizenship or incorporation. The Customer on its own behalf and on behalf of each Connected Person also acknowledges, as the case maybe, that HSBC and/or any member of the HSBC Group does not provide tax advice. The Customer is advised to seek independent legal and/or tax advice. The Customer on its own behalf and on behalf of each Connected Person further acknowledges, as the case maybe, that HSBC and/or any member of the HSBC Group has no responsibility in respect of a Customer's tax obligations in any jurisdiction which they may arise including, without limitation, any that may relate specifically to the opening and use of account(s) and/or Services provided by HSBC and/or members of the HSBC Group.

5. USE OF PERSONAL DATA DIRECT MARKETING – FOR INDIVIDUALS

- 5.1. Customers who are individuals, should note that, subject to obtaining your consent (which includes an indication of no objection) and/or otherwise complying with applicable local laws, HSBC and/or HSBC Group may, from time to time, use your Personal Data namely: your name(s), residential address(es), email address(es) and other contact information for direct marketing of (a) collective investment schemes managed, advised, distributed or promoted by HSBC and/or by the HSBC Group, (b) asset management, investment advisory, wealth management or any other investment related services offered by HSBC and/or the HSBC Group, (c) other investment opportunity promoted by HSBC and/or by the HSBC Group, (d) other investment financial or investment providers or services promoted by HSBC and/or by the HSBC Group, (e) banking or financial services or related products and services including brokerage, agency, custodian and credit facilities or any other products or services directly related to the above promoted by HSBC and/or by the HSBC Group. HSBC and HSBC Group will not transfer such Personal Data to any third parties for direct marketing purposes without obtaining the relevant Customer's consent as required by applicable local laws.
- 5.2. You may, at any time and without charge, request that HSBC and HSBC Group not to use your Personal Data in direct marketing by sending your request to the relevant officer at the address provided in paragraph 2.3 above.



6. MISCELLANEOUS

- 6.1. In the event of any conflict or inconsistency between any of these Terms and those in any other service, product, business relationship, account or agreement between the Customer and HSBC, these Terms shall prevail. Any consents, authorisations, HSBC requested waivers and permissions that already exist, or are separately obtained, from the Customer in relation to Customer Information shall continue to apply in full force and effect, to the extent permissible by applicable local law.
- 6.2. If all or any part of the provisions of these Terms become illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that shall not affect or impair the legality, validity or enforceability of such provision in any other jurisdictions or the remainder of these Terms in that jurisdiction.
- 6.3. These Terms shall continue to apply notwithstanding their termination, any termination by HSBC or a member of the HSBC Group of the provision of any Services to the Customer or the closure of any Customer account.

Note: In case of discrepancies between the English and Chinese versions, the English version shall apply and prevail.

Notice relating to the Personal Data (Privacy) Ordinance (the “Ordinance”)

- (a) From time to time, it is necessary for individuals to supply the member(s) of the HSBC Group (HSBC Group means HSBC Holdings plc, and/or any of its affiliates, subsidiaries, associated entities and any of their branches and offices (together or individually) including HSBC Investment Funds (Hong Kong) Limited and HSBC Global Asset Management (Hong Kong) Limited and “member of the HSBC Group” has the same meaning) with data in connection with the opening or continuation of accounts and the establishment or continuation of fund or investment product facilities or provision of fund or investment product services or compliance with any laws, guidelines or requests issued by regulatory or other authorities.
- (b) Failure to supply such data may result in members of the HSBC Group being unable to open or continue accounts or establish or continue fund or investment product functions or facilities or provide fund or investment product services.
- (c) It is also the case that data are collected from (i) customers in the ordinary course of the continuation of the customer relationship (for example, when customers write cheques, deposit application proceeds or collect realisation proceeds, or otherwise deal in the relevant fund(s) or investment product(s)), (ii) a person acting on behalf of the individual whose data are provided, and (iii) other sources (for example, information obtained from agencies or in the continuation of the fund or investment product relationship). Data may also be generated or combined with other information available to any member of the HSBC.
- (d) The purposes for which data may be used are as follows:
 - (i) considering applications for products and services and the daily operation of products, services and facilities provided to customers;
 - (ii) conducting know your client and checks (customer due diligence) and upon periodic or special reviews thereof;
 - (iii) creating and maintaining any member of the HSBC Group’s credit and risk related models;
 - (iv) assisting other financial institutions to conduct similar checks;
 - (v) ensuring ongoing due diligence of customers;
 - (vi) designing financial services or related products for customers’ use;
 - (vii) marketing services, products and other subjects as described in (f) below;
 - (viii) collecting of amounts outstanding from customers;
 - (ix) meeting obligations, requirements or arrangements, whether compulsory or voluntary, of any member of the HSBC Group to comply with, or in connection with:
 - (1) any law, regulation, judgment, court order, voluntary code, sanctions regime, within or outside the Hong Kong Special Administrative Region (“**Hong Kong**”) existing currently and in the future (“**Laws**”) (e.g. the Inland Revenue Ordinance and its provisions including those concerning automatic exchange of financial account information);
 - (2) any guidelines, guidance or requests given or issued by any legal, regulatory, governmental, tax, law enforcement or other authorities, or self-regulatory or industry bodies or associations of financial services providers within or outside Hong Kong existing currently and in the future (e.g. guidelines, guidance or requests given or issued by the Inland Revenue Department including those concerning automatic exchange of financial account information) and any international guidance, internal policies or procedures;
 - (3) any present or future contractual or other commitment with local or foreign legal, regulatory, judicial, administrative, public or law enforcement body, or governmental, tax, revenue, monetary, securities or futures exchange, court, central bank or other authorities, or self-regulatory or industry bodies or associations of financial service providers or any of their agents with jurisdiction over all or any part of the HSBC Group (together the “**Authorities**” and each an “**Authority**”) that is assumed by, imposed on or applicable to any member of the HSBC Group; or
 - (4) any agreement or treaty between Authorities;
 - (x) complying with any obligations, requirements, policies, procedures, measures or arrangements for sharing data and information within the HSBC Group and/or any other use of data and information in accordance with any programmes for compliance with sanctions or prevention or detection of money laundering, terrorist financing or other unlawful activities;
 - (xi) conducting any action to meet obligations of any member of the HSBC Group to comply with Laws or international guidance or regulatory requests relating to or in connection with the detection, investigation and prevention of money laundering, terrorist financing, bribery, corruption, tax evasion, fraud, evasion of economic or trade sanctions and/or any acts or attempts to circumvent or violate any Laws relating to these matters;
 - (xii) meeting any obligations of any member of the HSBC Group to comply with any demand or request from the Authorities;

- (xiii) enabling an actual or proposed assignee of any member of the HSBC Group, or participant or sub-participant of any member of the HSBC Group's rights in respect of the customer to evaluate the transaction intended to be the subject of the assignment, participation or sub-participation; and
- (xiv) any purpose or purposes relating thereto.
- (e) Data held by any member of the HSBC Group relating to an individual will be kept confidential but any or a member of the HSBC Group may provide such information to the following parties (whether within or outside Hong Kong) for the purposes set out in paragraph (d):
 - (i) any agents, contractors, sub-contractors, service providers or associates of the HSBC Group (including their employees, directors, officers, agents, contractors, service providers, and professional advisers);
 - (ii) any third party service provider who provides administrative, telecommunications, computer, payment or securities clearing or other services to the HSBC Group in connection with the operation of its business (including their employees, directors and officers);
 - (iii) any Authorities;
 - (iv) any person under a duty of confidentiality to a member of the HSBC Group which has undertaken to keep such information confidential and to comply with applicable Hong Kong Laws;
 - (v) the drawee bank providing a copy of a paid cheque (which may contain information about the payee) to the drawer;
 - (vi) any persons acting on behalf of an individual whose data are provided, payment recipients, beneficiaries, account nominees, intermediary, correspondent and agent banks, clearing houses, clearing or settlement systems, market counterparties, upstream withholding agents, swap or trade repositories, stock exchanges, companies in which the customer has an interest in securities (where such securities are held by any member of the HSBC Group) or a person making any payment into the customer's account;
 - (vii) any person to whom any member of the HSBC Group is under an obligation or required or expected to make disclosure for the purposes set out in, or in connection with, paragraph (d)(ix), (d)(x) or (d)(xi);
 - (viii) any actual or proposed assignee of, or participant or sub-participant or transferee of any member of the HSBC Group's rights in respect of the customer; and
 - (ix)
 - (1) any member of the HSBC Group;
 - (2) third party financial institutions, insurers, securities and investment services providers;
 - (3) co-branding partners of any member of the HSBC Group (the names of such co-branding partners will be provided during the application process for the relevant services and products, as the case may be);
 - (4) charitable or non-profit making organisations; and
 - (5) external service providers (including but not limited to mailing houses, telecommunication companies, telemarketing and direct sales agents, call centres, data processing companies and information technology companies) that any member of the HSBC Group engages for the purposes set out in paragraph (d)(vii).

Such information may be transferred to a place outside Hong Kong.

(f) **Use of Data in Direct Marketing**

Any member of the HSBC Group may use a customer's data in direct marketing and the HSBC Group requires the customer's consent (which includes an indication of no objection) for that purpose. In this connection, please note that:

- (i) the name, contact details, products and other service portfolio information, transaction pattern and behavior, financial background and demographic data of a customer held by the HSBC Group from time to time may be used by the HSBC Group in direct marketing;
- (ii) the following classes of services, products and subjects may be marketed:
 - (1) financial, insurance, securities and investment services and related services and products;
 - (2) reward, loyalty, co-branding or privileges programmes and related services and products;
 - (3) services and products offered by the HSBC Group co-branding partners (the names of such co-branding partners will be provided during the application for the relevant services and products, as the case may be); and
 - (4) donations and contributions for charitable and/or non-profit making purposes;
- (iii) the above services, products and subjects may be provided by or (in the case of donations and contributions) solicited any member of the HSBC Group. The HSBC Group will not transfer such customer data to any third parties for direct marketing purposes without obtaining the relevant Customer's consent as required by applicable local laws.

If, after the customer has given his/her consent or indication of no objection, but subsequently the customer does not wish any member of the HSBC Group to use his data for use in direct marketing as described above, the customer may notifying the relevant officer at the address set out in paragraph (i) below.

- (g) Under and in accordance with the terms of the Ordinance, any individual has the right:
 - (i) to check whether any member of the HSBC Group holds data about him and of access to such data;
 - (ii) to require any member of the HSBC Group to correct any data relating to him which is inaccurate;
 - (iii) to ascertain any member of the HSBC Group's policies and practices in relation to data and to be informed of the kind of personal data held by any member of the HSBC Group.



- (h) In accordance with the terms of the Ordinance, any member of the HSBC Group has the right to charge a reasonable fee for the processing of any data access request.
- (i) The person to whom requests for access to data or correction of data or for information regarding policies and practices and kinds of data held are to be addressed as follows:
 - The Local Compliance Officer
 - HSBC Investment Funds (Hong Kong) Limited
 - HSBC Global Asset Management (Hong Kong) Limited
 - Level 22, HSBC Main Building
 - 1 Queen's Road Central
- (j) Nothing in this Notice shall limit the rights of customers under the Ordinance.

Note: In case of discrepancies between the English and Chinese versions, the English version shall apply and prevail.