

Terms and Conditions for Tax Loan

Successful Applicant(s) (the "Borrower", which expression shall include its successors) of the approved loan will be subject to these Terms and Conditions:

1. In these Terms and Conditions:

- "Bank" means Bank of China (Hong Kong) Limited including its successors and assigns;
- "Business Day" means a day (other than a Saturday, Sunday or public holiday) on which the Bank is open for banking business in Hong Kong;
- "Additional Loan Amount" means the principal amount of the additional loan approved by the Bank under these Terms and Conditions;
- "Designated Account" means the BOCHK account designated by the Borrower from time to time with authorization to the Bank to debit such account for repayment of principal, interest and other charges relating to the Loan;
- "Hong Kong" means the Hong Kong Special Administrative Region of The People's Republic of China;
- "Interest" means the interest chargeable on the Total Principal Amount, which is calculated on a monthly basis at such rate(s) as shall be advised by the Bank in the Repayment Schedule to be issued to the Borrower;
- "Loan" means the Total Principal Amount together with the Interest chargeable on the Total Principal Amount;

- "Repayment Schedule" means the confirmation issued by the Bank to the Borrower in relation to the Loan, confirming the Bank's acceptance of the Borrower's application for the Loan;
- "Mortgage" means any mortgage or charge of land properties executed by the Borrower (whether alone or with any other person(s), party(ies), company(ies) or entity(ies)) in favour of the Bank and whether before or after the present application to secure repayment of all present and future indebtedness and liabilities of the Borrower, and includes any modification, supplement or replacement of the Mortgage from time to time;
- "Tax Liabilities" means (i) the salaries tax (ii) the property tax (iii) the profit tax payable by the Borrower for any year of assessment and/or (iv) tax under personal assessment;
- "Monthly Instalment The apportionment of the repayment": principal repayment part equals to total loan amount divided by tenor; interest repayment part equals to total interest expense divided by tenor;
- "Tax Loan Amount" means the principal amount of the tax loan approved by the Bank under these Terms and Conditions; and
- "Total Principal Amount" means the aggregate of the Tax Loan Amount and the Additional Loan Amount (if any).

2. The Borrower acknowledges that the Total Principal Amount to be advanced by the

Bank is subject to the sole and absolute discretion of the Bank. The Borrower confirms and agrees to borrow the amount as approved by the Bank notwithstanding that the approved amount may be less than the amount applied for. The Bank will give written notice and/or verbally inform the Borrower whether the application is approved or rejected. In the absence of written consent from the Bank, the Borrower may not cancel the Loan once disbursed and shall be bound by these Terms and Conditions. Particulars of the Loan will be communicated to the Borrower in writing by issuing a Repayment Schedule as soon as practicable after the application has been approved by the Bank.

3. The Borrower hereby irrevocably authorizes the Bank to credit the Total Principal Amount to the Designated Account irrespective of whether or not the Borrower is/are the holder(s) of the Designated Account. The Borrower hereby confirms and agrees that the Borrower shall be liable to repay the Total Principal Amount, the Interest and any other fees and charges payable by the Borrower to the Bank according to these Terms and Conditions

4. The Loan shall be repaid by the Borrower to the Bank by monthly instalments over such repayment tenor and in such amount as specified by the Bank in the Repayment Schedule issued to the Borrower.

5. Save as otherwise approved by the Bank at its absolute discretion, the Borrower agrees that drawdown of the Total Principal Amount shall be in one lump sum.

6. (a) The Bank is hereby irrevocably authorized by the account holder(s) of the Designated Account to debit the Designated Account with the amount of each monthly instalment and all other fees and charges due and payable by the Borrower hereunder and to apportion such monthly instalments among the outstanding Loan, Interest and any other fees and charges. If the Borrower fails to pay any sum payable in relation to the loan when due or on the Repayment Date or any Subsequent Repayment Date, the Borrower shall pay rate of 0.08% per day on the overdue amount, together with a default handling fee of HK\$500.

(b) All payments made by the Borrower to the Bank shall be accepted by and subject to the Bank's practice, terms and conditions and where applicable to the rules of any relevant clearing system from time to time, and shall be deemed not to have been made until such time that the relevant funds have been cleared and received by the Bank.

(c) The Bank is entitled to charge the Borrower a handling fee of HK\$500 for each overdue or unpaid monthly instalment of the Loan, and without prejudice to all other rights and remedies available to the Bank.

7. Borrowers need to be aware that different products use different ways to apportion interest and principal in the monthly repayment amounts. When choosing early repayment, borrower should consider the early repayment charges involved which may outweigh the benefit from the future interest saving. It is suggested that borrowers should first check with the bank about the total amount involved in early repayment (including outstanding loan balance, early repayment charges and other fees, etc.) and the amount of outstanding interest. The apportionment of interest and principal in each monthly repayment, as well as the relevant charges throughout the loan tenor could be found in the Repayment Calculator and Repayment Schedule under www.bochk.com.

8. Early repayment of the Loan or any part of the Loan (namely, the Tax Loan Amount, or the Additional Loan Amount, and "the relevant part of the Loan" is to be construed accordingly in this Clause 9) in full (but not in part) is permitted upon the Bank receiving written notice from the Borrower a at least 5 Business Days before the proposed date of early repayment, subject to full settlement or payment of (i) all interest due and unpaid in respect of the monthly instalments of the Loan or the relevant part of the Loan; (ii) the outstanding balance of the Loan or the relevant part of the Loan; (iii) interest that would otherwise have been payable on the Loan or the relevant part of the Loan for the next monthly instalment if there is no early repayment or, if early repayment is not made on an instalment payment date, for the next two monthly

instalments; (iv) all default interest (if any) and outstanding fees and charges; (v) an administration fee equals to 1% of the outstanding amount of the Loan or the relevant part of the Loan for such early repayment; and (vi) a sum equals to the interest rebates and cash rebates the Bank has paid to the Borrower (if any).

9. Notwithstanding anything to the contrary in these Terms and Conditions, the Bank reserves its overriding right to demand the Borrower to repay in full the outstanding balance of the Loan or any part thereof at any time, the Interest and all fees and charges at any time and/or cancel any commitment for undrawn Total Principal Amount immediately upon written notice to the Borrower. In addition, without prejudice to the foregoing, all sums of money (whether actual or contingent) shall become immediately due and payable by the Borrower upon the occurrence of any of the following events:

- (a) the default of the Borrower in payment of any of the monthly instalment or any other fees or charges hereunder;
- (b) any liabilities of the Borrower to the Bank becomes overdue;
- (c) any attachment, execution or similar process being levied against the Borrower;
- (d) a petition in bankruptcy being filed by or against the Borrower;
- (e) a receiver being appointed over all or any substantial part of the assets of the Borrower;
- (f) any information provided or representation made to the Bank by the Borrower

for or in relation to his application for the Loan being found to be false, inaccurate or misleading in any aspect; and

(g) any breach of these Terms and Conditions on the part of the Borrower.

10. In addition and without prejudice to any banker's lien, right of set-off or similar right to which the Bank may be entitled, the Bank shall have the right at any time without any consent from, reference or prior notice to the Borrower (any such consent or prior notice being expressly waived) to set-off and appropriate and apply any credit balance on any of the account(s) and/or deposit(s) (whether or not subject to notice and whether or not matured) of the Borrower and/or jointly maintained by the Borrower with other party(ies) in whatever currency maintained with any of the branches or sub-branches of the Bank against or on account of any sums due and owing to the Bank by the Borrower hereunder. For such purposes, the Bank may convert all or any part of such credit balance to Hong Kong Dollar at the applicable exchange rate quoted and determined by the Bank from time to time.

11. The Borrower understands that in no circumstances is the Bank obliged to grant the Total Principal Amount to the Borrower or liable to loan out the Total Principal Amount or any part thereof to meet the due date(s) for payment of the Tax Liabilities of the Borrower and for any penalty, surcharge or interest (however so called) imposed on the Borrower as a result of failure thereof. The Borrower is therefore advised to submit

the application to the Bank and drawdown the Total Principal Amount sufficiently earlier than the relevant due date(s) for payment of his Tax Liabilities. The Borrower agrees to indemnify the Bank in full against any penalty, surcharge or interest imposed on the Borrower as a result of any delay of the Bank and any claims, actions, costs (including legal costs on full indemnity basis) or liabilities arising out of or in connection with the Bank's performance of its obligations pursuant to these Terms and Conditions.

12. The Borrower agrees that the Bank may take such action as it thinks necessary to enforce its rights under these Terms and Conditions including without limitation the appointment of any of its subsidiaries and/or the employment of any third party debt collection agencies to collect any sums due and owing to the Bank by the Borrower. The Borrower consents to and authorizes the disclosure by the Bank of all or any information relating to the Borrower and the Loan to any of such persons or agencies. The Borrower further agrees to indemnify the Bank in full against all costs and expenses (including legal costs on a full indemnity basis) incurred or which may be incurred by the Bank in suing for or otherwise recovering any sums due and owing from the Borrower to the Bank.

13.(a) The Borrower confirms that all the information given in this application or otherwise in connection with this application is true and complete and undertakes to inform the Bank immediately in writing of any change in the name, address, telephone

number and any employment information of the Borrower. The Borrower further agrees to provide any additional information or document which the Bank may require.

(b) The Borrower acknowledges the contents of the Bank's Data Policy Notice (the "Notice") or whatever it may be renamed by the Bank in future and consents to and authorizes the Bank and any person to whom the Bank has disclosed any of the Borrower's personal data in accordance with these Terms and Conditions to obtain from or disclose to any of the respective holding companies, branches, subsidiaries, representative offices and affiliates, wherever situated, of the Bank and BOC Credit Card (International) Limited, other financial institutions, charge or credit card issuers and associations, credit reference agencies or credit information institutions which provide information exchange and other services, collection agencies, agents, contractors and any person who proposes to or has established any business relation with the Bank to use and disclose all the personal data relating to the Borrower and the Loan for such purposes (including but without limitation to the purposes of conducting credit checks, verifying and exchanging credit information, debt collection or any other reasonable purposes deemed necessary by the Bank) as may be in accordance with the Bank's general policies on use and disclosure of personal data as set out in the Notice or other statements, circulars, notices or terms and conditions made available by the Bank to its customers (including potential customers) from time to time. If there is any inconsistency or discrepancy between the Notice and these Terms and Conditions, the Notice shall prevail insofar as it relates to the protection of

the Borrower's personal data.

14. All entries made in books or accounts maintained by the Bank in connection with the Loan; any certificate relating to the Bank's cost of funds in respect of the Loan; and any opinion, determination or decision by the Bank's officers shall be conclusive evidence against the Borrower and be binding on the Borrower for all purposes, save to the extent of manifest error.

15. Time shall be of the essence herein but no failure or delay by the Bank in exercising any right, power or remedy under these Terms and Conditions or any indulgence given or negotiation undertaken by the Bank shall operate as a waiver or in any way prejudice any of the rights, powers or remedies of the Bank hereunder.

16. Where there is more than one person in the application for the tax loan, the obligations and liabilities of all such persons shall be joint and several. Any instructions given by or communication with any one of them shall be deemed to be given by or communicated with both of them jointly.

17. The Bank shall be entitled at any time at its sole and absolute discretion to assign, sub-participate or transfer any or all of its rights and obligations hereunder to any other persons without consent of or prior notice to the Borrower. The Loan is personal to the

Borrower. The Borrower shall not be entitled to assign or transfer any of its rights and obligation hereunder.

18. The Borrower agrees that these Terms and Conditions, interest rate and schedule of fees and charges (copy of the currently applicable schedule can be obtained from any branch of the Bank) may be varied by the Bank from time to time at its sole and absolute discretion provided that the Bank shall give not less than 60 days' prior notice to the Borrower before any change of the terms and conditions affecting fees and charges and the Borrower's liabilities or obligations.

19. If any of the provisions of these Terms and Conditions is held to be invalid, illegal or unenforceable by any court of competent jurisdiction, such provision(s) is/are to be severed from the remaining provisions insofar as is possible without modifying or affecting the remaining provisions. Such provision shall not affect the validity of the remaining provisions.

20. The Borrower agrees and confirms that:

- (a) the Loan to be advanced by the Bank to the Borrower shall, upon drawdown of the Loan, automatically become part of the secured liabilities secured by the Mortgage.
- (b) any security charged to the Bank by the Borrower (whether alone or jointly with any other person(s), party(ies), company(ies) or entity(ies)) for any purposes either

before or after the application of the Loan shall also serve as a security of the Loan. In the case of an “All Monies” mortgage (i.e. a mortgage which will secure all amounts payable by the borrowers) executed on or after 4 July 2005 involving more than one borrower, the amount secured under the mortgage should not exceed the amount of money, obligations and liabilities owing or incurred at any time by the co-borrowers jointly. This does not restrict a co-borrower acting as surety from separately guaranteeing or securing the other’s obligations in a transparent manner which complies with the provisions of Code of Banking Practice Section 24. In the case of a security document other than a residential mortgage involving more than one borrower executed on or after 3 January 2006, the amount secured under the security document should not exceed the amount of money, obligations and liabilities owing or incurred at any time by the co-borrowers jointly. This does not restrict a co-borrower acting as surety from separately guaranteeing or securing the other’s obligations in a transparent manner which complies with the provisions of Code of Banking Practice Section 24.

21. If the Borrower shall experience any difficulty in repaying or servicing the Loan, the Borrower shall inform the Bank as soon as possible.

22. Without affecting other methods of communication, any statement, notice, demand or other communications are deemed to be received by the Borrower:

- (i) on posting for 3 Business Days in one or more of the banking halls in Hong Kong of the Bank of China (Hong Kong) Limited,
- (ii) 3 Business Days after publication as an advertisement in a Hong Kong newspaper,
- (iii) when posted on the website of the Company and the Bank,
- (iv) when left at any of the address of the Borrower on the Bank's record, or 48 hours after mailing to such address or 7 days after if the address is overseas,
- (v) when sent by electronic mail or message or facsimile to any of email address or equipment or facsimile number of the Borrower on the Bank's record, or
- (vi) when communicated including by leaving a voice message, if by telephone or other oral communication, notwithstanding return through the post (in the case of a mailing), or the death or incapacity of the Borrower. For the purpose of this Clause 23, "Business Day" means a day on which the Banks are open for business in Hong Kong other than Sunday and public holiday. Without prejudice to the generality of the foregoing provisions, the Bank may give verbal notice to the Borrower personally or by telephone and any verbal notice so given shall be immediately effective and binding upon the Borrower. Any notice or communication to the Bank shall not be effective until actually received by the Company.

23.1 Subject to Clause 23.3, a person who is not a party to this Agreement has no right

under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) (the "Third Parties Ordinance") to enforce or to enjoy the benefit of any term of this Agreement.

23.2 Notwithstanding any term of this Agreement, the consent of any person who is not a party to this Agreement is not required to rescind or vary this Agreement at any time.

23.3 Any director, officer, employee, affiliate or agent of the Bank may, by virtue of the Third Parties Ordinance, rely on any provision of this Agreement (including without limitation any indemnity, limitation or exclusion of liability) which expressly confers rights or benefits on that person.

24. The Borrower consents to the relevant consumer credit data being shared by the Bank with all selected credit reference agencies under the Multiple Credit Reference Agencies Model which may also be shared with a Type One Special Member (meaning an insurer or a subsidiary of an insurer authorized under Section 8(1)(a) or 8A(1)(a) of the Insurance Ordinance (Cap. 41 of the Laws of Hong Kong) to carry on insurance business with the need to use consumer credit data for purposes permitted under the Code of Practice on Consumer Credit Data issued by the Privacy Commissioner for Personal Data as updated or superseded from time to time) in relation to the provision of insurance coverage to the Bank by the Type One Special Member.

The Borrower understands that he/she is entitled to request for a credit report from all credit reference agencies in Hong Kong approved for participation in the Multiple Credit Reference Agencies Model without charge within any twelve-month period respectively to each selected credit reference agency.

25. The Bank will apply the Artificial Intelligence (AI) technology in the process of credit approval. The Borrower may be requested for additional information under some circumstances in order to facilitate on the loan approval or for product enhancement. Please note that if any incomplete or inaccurate information is provided by the Borrower, the AI technology may not be operated effectively and may affect the approval result, and therefore additional documents from the Borrower will be requested by the Bank. Big Data Analytics and Artificial Intelligence ("BDAI") technology may be used by the Bank or through its service providers in relation to customer personal or non-personal information for performing the borrower's credit and risk assessments, enhancing the Bank and customer protection, performing statistical analysis, data mining, developing and maintaining the predicative modelling, assisting in business decision-making and improving operational efficiencies. Use of BDAI by the Bank in relation to personal information is governed by the Bank's BDAI application policies, including the adoption of appropriate measures to ensure that the BDAI are developed and used ethically. Borrowers need to understand that if the personal

information in the Bank is out of date or inaccurate, the analysis results of the BDAI application may be affected. Please contact our bank if you have any comment, enquiry or assistance required.

26. In case of any disputes, the Bank's decision shall be final and binding.

27. In case of any inconsistency between the Chinese version and the English version of these Terms and Conditions & application forms, the Chinese version shall prevail.

28. These Terms and Conditions shall be governed by and construed in accordance with the laws of Hong Kong and the Borrower hereby agrees to submit to the exclusive jurisdiction of the courts of Hong Kong for any dispute arising out of or in connection with these Terms and Conditions and/or the Loan.