

QFE Disclosure Statement (prepared as at February 2017)

The Hongkong and Shanghai Banking Corporation Limited, incorporated in Hong Kong SAR, acting through its New Zealand branch (trading as "HSBC") is a Qualifying Financial Entity ("QFE") pursuant to the Financial Advisers Act 2008.

You can check the status of HSBC as a QFE on the Financial Service Providers Register at www.fspr.govt.nz.

This statement provides you with important information about HSBC and our financial services and may help you decide which financial adviser to choose.

About HSBC

HSBC is a founding member of the HSBC Group – one of the world's largest banking and financial service organisations. The HSBC Group, through its employees, serves the needs of an international customer base situated around the world.

HSBC Financial Services

HSBC is responsible for the financial adviser services provided by our HSBC Premier relationship managers and other HSBC employees (known as our "HSBC QFE Advisers") and must ensure that our HSBC QFE Advisers exercise care, diligence and skill in providing that advice to you. Our HSBC QFE Advisers provide personalised financial advice in respect of the following financial products and services.

Category 2 products issued by the HSBC QFE

- HSBC Transactional and Savings Accounts being call debt securities issued by HSBC
- HSBC Term Deposits being bank term deposits issued by HSBC
- HSBC Home Loans being consumer credit contracts issued by HSBC

Remuneration and fees of your HSBC QFE Adviser and the HSBC QFE

HSBC does not charge a fee for providing you with financial adviser services. When you take up a product or enter into a transaction with us the HSBC QFE will normally earn fees or other income.

Our HSBC QFE Advisers receive an annual salary from HSBC and may receive a variable annual bonus assessed by way of a balanced performance criteria.

QFE advisers employed by HSBC do not depend on volume based bonuses and variable pay is assessed using considered discretion rather than applying a formulaic approach.

Other Interests or Relationships

HSBC may receive trail commissions from other insurance products formerly taken up by you.

How is the HSBC QFE Regulated

The HSBC QFE is licensed and regulated by the Financial Markets Authority for financial adviser services.

The Financial Markets Authority provides information about financial advisers and you may report information about the HSBC QFE or our HSBC QFE Advisers to the Financial Markets Authority. Contact details are:

Phone: 0800 434 567
Postal Address: DX Box CX10033, PO Box 106 672,
Auckland 1143
Website: www.fma.govt.nz/about-us/contact-us

HSBC is also a registered bank and is regulated by the Reserve Bank of New Zealand under the Reserve Bank of New Zealand Act 1989 to provide banking services in New Zealand. A copy of HSBC's bank disclosure statement is also available on request.

Our Contact Details and Dispute Resolution

If you have a complaint about the HSBC QFE or your HSBC QFE Adviser you can contact your relationship manager or call our call centre on 0800 80 23 80.

Otherwise contact us at:

Customer Relations Manager
HSBC
Level 9, HSBC House, One Queen Street
Private Bag 5947
Wellesley Street
Auckland

Or send an email to customerrelations@hsbc.co.nz

Whichever avenue you choose, we will endeavour to acknowledge receipt of your complaint within 24 hours and will actively strive to provide a prompt resolution.

HSBC is a member of the independent dispute resolution scheme operated by the Banking Ombudsman and approved by the Ministry of Consumer Affairs for the purposes of the Financial Service Providers (Registration and Dispute Resolution) Act 2008.

If your complaint has not been resolved satisfactorily through our internal complaint procedures you have the right to present your complaint to the Banking Ombudsman whose contact address is Freepost 218002, PO Box 25327, Featherston Street, Wellington 6146 or by emailing help@bankomb.org.nz or calling 0800 805 950.