

Serving you better with our Core Banking System Upgrade

As part of our journey to strive for excellence in banking service delivery, we are pleased to announce that Fubon Bank (Hong Kong) Limited (the “Bank”) will promote a major computer system upgrade for its core banking system (the “System Upgrade”) from 19 April 2019 to 22 April 2019*.

Pursuant to this System Upgrade, a few services will be enhanced and modified to cope with the latest market development. We cherish your patronage and understand that our customers’ privileges always come first. So, we present below the changes that you may be subject to for your comprehensive understanding:

CHANGES IN ACCOUNT SERVICES

Product Features

Migration of Passbook Savings Account to Statement Savings Account

- The Passbook Savings account that you have been using will be converted to Statement Savings account automatically after the Systems Upgrade.
- For the protection of your asset, for those transaction(s) that have not been updated to your passbook or recorded in our No Book Items Consolidation Statement, we will send out a one-off Statement of Account to ensure you retain proper banking record even if you do not find the time to have your passbook updated.
- After the System Upgrade, your account will be converted into a Statement Savings account with all your existing benefits (including but not limited to deposit interest rate) unaffected except that you will receive a monthly Consolidated Statement displaying all your account(s) with the Bank delivering to you using your mailing address maintained with the Bank.
- Please be reminded to update your latest address record with the Bank before the System Upgrade to ensure the Consolidated Statement can be delivered accurately and timely to you. You may approach our branches or visit our website for the procedure of address update.
- For this account conversion, there are relevant changes in the “Global Terms and Conditions for Accounts and Services”. You are advised to read through the changes listed in this notification. If you do not accept the above amendments, you have the right to terminate your account(s) and/or service(s) in accordance with the relevant clauses under the existing “Global Terms and Conditions for Accounts and Services” before 23 April 2019. Should you have any query or wish to terminate any of the account(s) and/or service(s), please call Fubon Bank Integrated Customer Service Hotline at 2566 8181 (press 3 after language selection) during business hours[#].

Merging of Call Accounts under Multi-Currency Account

- The merging of Call Account to Multi-Currency Account is a product restructure that has no impact to existing customers. You can still use the existing Call Account Number to perform all sorts of transactions that are available under Call Account.
- On the other hand, all Call Accounts after the System Upgrade will be grouped under a Master Account Number of which customers will be able to perceive from their Consolidated Statement. The existing 14-digit Call Account number will no longer be shown but will be replaced by a 11-digit Multi-Currency Account Number using the Branch Code as prefix with a standard 3-alphabet currency code (for instance, USD) attached for clear identification.
- The Master Account Number, in the future, will serve as a key to the Multi-Currency Account that covers different currencies of the Call Account.
- Since one Multi-Currency Account can only maintain one Call Account of the same currency, if you have more than one Call Account under the same currency, you will be given more than one Multi-Currency Account number.

Product Restructure for Fixed Deposit

- For fixed deposit accounts that are opened after the System Upgrade, the account number will be changed from the existing 14-digit to 16-digit. The account number of existing fixed deposit accounts will not be affected by this restructure.
- Fixed deposit accounts will be grouped and displayed under the column of Fixed Deposits in the Consolidated Statement until they are matured and closed.

- Unlike the current practice, the fixed deposit account number will not be reused when a fixed deposit account is not renewed upon maturity and closure.
- For matured fixed deposit that is transferred to another deposit account after the System Upgrade, no separate customer advice will be generated. The instruction will be stated in the fixed deposit withdrawal advice instead.

T/T Exchange Rate adopted for USD Notes Account Currency Conversion

- For USD Notes Account, T/T Exchange Rate instead of USD Notes rate will be adopted for conversion from HKD to USD after the System Upgrade.
- The new practice will align with that of the Bank's USD Current Account.

Operation of Deposit and Loan Accounts

Interest Payout Difference in Deposits

- Due to the difference in calculation logic of the new system, interest application to your deposit accounts will adopt a new cut-off date of the month which may induce slight difference in interest received for the month. Yet, the difference in interest payment will be offset against each other in the consecutive months.
- On top of that, it is also potentially possible that the interest payment or interest debit (if applicable) of your deposits will record a minor variance from your expectation due to different interest accrual mechanism of the new system.
- The difference in the amount as the Bank carefully estimated is within the range of few Hong Kong dollars on a case by case basis.
- The Bank realizes this may cause inconvenience to you and is prepared to deal with any such cases if so happened. You can approach your Account Opening Branch to seek for assistance should you encounter such incident after the System Upgrade.

Amount Difference in Loan Repayment Instalment

- The System Upgrade will potentially affect the instalment amount of loan repayment schedule that the Bank delivered to you earlier.
- The difference in the instalment amount as estimated will be in the range of few Hong Kong Dollars.
- We must point out that the difference in any instalment amount will not increase the interest payable to the Bank that is induced by the loan. The extra amount you pay in any of the instalments will be set off by a reducing amount in other instalments. Therefore, you will neither pay more than necessary nor pay less.

OD Excess Interest Rate at Prime + 10% p.a.

- Just a reminder that the interest rate at Prime + 10% p.a. for excessive debit balance beyond overdraft limit or in debit balance for accounts without overdraft limit will be enforced after the System Upgrade.

Mortgage Loans Repricing Mechanism and Payment

- If mortgage loan repricing date falls on holiday, HIBOR on the previous business day will be adopted for interest rate repricing. Currently, HIBOR on coming business day is used for repricing.
- For the mortgage loan accounts under the HIBOR Mortgage Plan of which PRIME rate is being applied, the interest rate will not be changed immediately following any PRIME rate change happened in between the repricing periods until the next interest repricing date.
- For mortgage loans that are under Home Purchase Scheme if the loan repayment due date falls between 1st and 5th day of each of the relevant months, the full installment amount will be debited from customer's account by the system without deducting the subsidy which will only be received on the 5th business day of the month. Upon receipt of the subsidy it will then be uploaded to the system for subsequent repayment.

Autopay and Standing Instruction

- For Autopay and Standing Instructions that you have set up with the Bank for money transfer between Fubon Bank accounts, the transaction will no longer be executed on Saturdays.
- If the due date of Standing Instruction falls on Saturdays, such Standing Instruction will be executed on the next business day.
- Standing instruction for payroll will not be processed in case of insufficient funds. You are advised to maintain sufficient balance before the payroll date for payment.

Consolidated Monthly Statement

Extension of Customer Number

- Customer Number will be extended with 2 additional digits at the front.
- For existing customers, their Customer Number will be added with 2 zeros ("00") in front of their existing Customer Number.
- This change has no impact to the banking services you have been engaged. More importantly, your privileges and benefits with the Bank will not be affected by the above change.

Variation in Transaction Details in Consolidated Statement

- There will be variations in some of the transaction details which you are familiar with from the Consolidated Statement.
- In particular, Treasury Product settlement will be displayed as "SETT-Product Code-Contract Number" instead of "Transfer", while Foreign Exchange Margin settlement will be shown as "FXCore Consolidated Contract No. XXXXXX 6401" for interface successful transaction and "Transfer" for manual posted transaction.
- Escrow Account will adopt the structure of Multi-Currency Account after the System Upgrade.
- The above is just part of the changes. These variations are simply an improved way of expression. You can be assured that these changes will not affect the operation of your accounts and will not impede the entitlement of your banking benefits with the Bank.
- If, in any case, you have queries towards your transaction details, we will always stand by to answer your questions.

SPECIAL ONE-OFF CONSOLIDATED STATEMENT

- To give you the utmost protection, we will send out a Consolidated Statement to all account holders (except Passbook Saving Account) before the System Upgrade regardless of the activeness of your account(s).
- You are advised to retain this special statement in the event of any queries you might have in respect of your account(s) before or after the System Upgrade.
- To ensure the statement can be delivered to you accurately, please maintain the latest correspondence address record with the Bank. Should you require to update your address, please visit any branches of the Bank or visit our website at www.fubonbank.com.hk for further information.

SERVICES INTERRUPTION

During the cutover period, certain part of our banking services will be interrupted with details set out below:

Service Interrupted	Service Interruption Date and Time (Hong Kong Time)
ATM Service	22 April 2019 (Monday) 00:00 – 07:30 (7.5 hours)
ATM Card Service	
Fubon Credit Card ATM Service	
Fubon Credit Card Retail Transaction Service	
Fubon Credit Card POS Authorization, Transaction and Settlement Services	
EPS Service	
Fubon JETCO Pay Service	
Faster Payment System (FPS)	
Fubon e-banking Service	
Fubon PhoneBanking Services	
Fubon Credit Card Merchant Online Service	
Fubon Business Online	
Fubon Mobile Banking	
Fubon e-Cheque Service	
Fubon Corporate Website	

We cherish your patronage. Thus, you can be assured that we are doing all necessary precautionary actions to protect your assets and, more importantly, your relationship with us.

Should you have any queries, we are standing by to provide our assistance. Please call Fubon Bank Integrated Customer Service Hotline at 2566 8181 (press 3 after language selection) during business hours[#] if you have any queries, or visit any branches of the Bank to understand more.

*In the event that the System Upgrade has to be performed on a later date, we will notify you of the relevant arrangements to again. Should there be any inconsistency between the English and Chinese versions of this notice, the English version shall prevail.

[#]Business hours of Fubon Bank Integrated Customer Service Hotline are from 9:00am to 7pm, Monday through Friday, and from 9:00am to 1pm on Saturday (except public holidays).