

***This is an unlisted structured investment product which is NOT protected by the Deposit Protection Scheme in Hong Kong.***

***This product is NOT principal protected.***

*The contents of this statement have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution before investing in Currency-linked Deposit. **This statement is a part of the offering documents for this product. You should not invest in this product based on this statement alone.** If you are in any doubt, you should obtain independent professional advice.*

***If English is not your preferred language, you may request for the Chinese version of this statement from our sales staff. 倘若英文並非閣下屬意的語言，閣下可向本行的銷售人員索取本概要的中文版本。***

***This is an unlisted structured investment product involving derivatives. The investment decision is yours but you should not invest in the Currency-linked Deposit unless the intermediary who sells it to you has explained to you that the product is suitable for you having regard to your financial situation, investment experience and investment objectives.***

***Capitalised terms used in this statement not otherwise defined herein shall have the meanings given to them in the Currency-linked Deposit Terms and Conditions (“Terms and Conditions-CLD”).***

Quick facts			
Bank:	OCBC Wing Hang Bank Limited ("the Bank")	Product type:	Currency-linked Deposit
Interest Rate (p.a.):	Quote upon request	Interest payment:	To be paid on Maturity Date
Deposit Tenor:	Flexible, range from 7 days to 6 months	Minimum Deposit Amount:	HKD100, 000 or its equivalent in other available currencies
Maximum potential loss:	Principal Amount	Deposit Currency: (select one)	HKD, USD, AUD, CAD, NZD, JPY, CHF, GBP, EUR & CNY
Maximum potential gain:	Interest Amount	Linked Currency: (select one)	HKD, USD, AUD, CAD, NZD, JPY, CHF, GBP, EUR & CNY

<b>Embedded derivatives:</b>	Yes, Customer selling a put option of the Linked Currency
<b>Early termination by the Bank:</b>	Yes, described in the Terms and Conditions-CLD
<b>Early withdrawal by the Customer:</b>	No
<b>Principal protection at maturity / expiry:</b>	No
<b>Secondary market, guarantee or collateral:</b>	No

## What is Currency-linked Deposit (“CLD”) and how does it work?

This is an unlisted structured investment product that consists of a time deposit (in the Deposit Currency of your choice) and selling of a put option on a Linked Currency of your choice. Please refer to the key features and scenario analysis below to understand how CLD will make you gain/incur losses.

## What are the key risks?

- **NOT a time deposit** – CLD is an unlisted structured investment product, which involves derivatives in a time deposit and is not equivalent to nor should it be treated as a substitute for a traditional fixed deposit.
- **NOT protected deposit** – CLD is not a protected deposit and is not protected by the Deposit Protection Scheme in Hong Kong.
- **NOT covered by Investor Compensation Fund** – CLD is not listed on any stock exchange and is not covered by the Investor Compensation Fund established under the Securities and Futures Ordinance in Hong Kong.
- **Derivatives risk** – CLD is embedded with FX Option. Option transactions involve risks, especially when selling an option. Although the premium received from selling an option is fixed, you may sustain a loss well in excess of such premium amount, and your loss could be substantial.
- **Limited potential gain/return** – The maximum potential gain/return is limited to the pre-determined Interest Amount in Deposit Currency calculated based on the Interest Rate and Principal Amount. Even if your view on the price movement of the Linked Currency is correct, the return of the CLD is already fixed.
- **No principal protection at maturity/ expiry** – CLD is not principal protected as mentioned in “**Maximum potential loss**” below.
- **Maximum potential loss** – CLD is not principal protected. The return depends on the market conditions prevailing on the Exchange Rate Fixing Date. You might be subject to the risk of the fluctuation of the Linked Currency and could lose all of your investment. You may lose the entire Principal Amount as described in the section of “**Return analysis**” below. In addition, if the deposit is leveraged using borrowed funds, this can dramatically change the risk / reward aspects of the transaction.
- **Not the same as buying the Linked Currency** – Investment in CLD is not the same as buying the Linked Currency directly.
- **Market risk** – The return of CLD is linked to the exchange rates of the Deposit Currency against the Linked Currency. Movements in exchange rates can be unpredictable, sudden and drastic, and affected by complex political and economic

factors.

- **No guarantee or collateral** – CLD is not secured by any collateral, and is subject to the “**Credit and insolvency risks of the Bank**” as mentioned below.
- **No first priority to collateral realization proceeds** – CLD is not backed by any collateral, thus you are not having the right to realize the collateral or gain any priority to the entire collateral realization proceeds.
- **Credit and insolvency risks of the Bank** – When you invest in CLD, the Bank has performance obligations to you and you will be relying on the Bank’s creditworthiness, internal systems, process and procedures to fulfill such obligations. If the Bank becomes insolvent or defaults on its obligations under CLD, the settlement of the CLD is subject to the credit and insolvency risks of the Bank itself, and you will be ranked as an unsecured creditor of the Bank. In the worst case, you may lose your entire Principal Amount and receive no interest, irrespective of the performance of the Linked Currency and the terms of your CLD.
- **No liquid secondary market** – There is no secondary market for you to sell your CLD prior to its maturity. If you try to sell your CLD, you may not be able to find a buyer.
- **Liquidity risk** – CLD is designed to be held till maturity. You do not have a right to request early termination of this product before maturity.
- **Currency risk** – If the Deposit Currency and/or Linked Currency is not in your home currency, and you choose to convert it back to your home currency upon maturity, you may make a gain or loss due to exchange rate fluctuations.
- **Risks of early termination and adjustment by the Bank** – The Bank has the right (but not the obligation) to terminate the CLD early or to adjust the terms of the CLD upon occurrence of certain events. If the CLD is terminated by the Bank early or the terms thereof are adjusted, you may suffer a substantial loss under this product or have a negative impact on your investment under the CLD as described in the section “**Can the Bank adjust the terms or early terminate the product**” below.
- **Concentration issues** – You should avoid excessive investment in any single type of investment.
- **Risk relating to Renminbi (applicable to CLD which involves CNY)** –
  - **Market and Currency Risk:** If the Deposit Currency or the Linked Currency is CNY, you should note that the value of Renminbi against other currencies fluctuates and will be affected by, amongst other things, the PRC’s government control (for example, the PRC government regulates conversion between Renminbi and other currencies), which may result in profits or losses under the CLD if you subsequently convert Renminbi to another currency (including Hong Kong dollars).
  - **Conversion of Renminbi:** Renminbi is currently not freely convertible. There is a limited pool of Renminbi outside the PRC and any tightening of foreign exchange control by the PRC government may adversely affect the liquidity of offshore Renminbi. Conversion of Renminbi through the Bank is subject to the restriction specified by regulatory requirements, Renminbi position of the Bank and the Bank’s commercial decisions at the relevant time.
  - **Different Markets of Renminbi:** Although both onshore Renminbi and offshore Renminbi are the same currency, they are traded in different and separate markets. As the two markets operate independently where the flow between them is highly restricted, onshore Renminbi and offshore Renminbi are currently traded at different exchange rates and their movements may not be in the same direction or scale. The offshore Renminbi exchange rate may deviate significantly from the onshore Renminbi exchange rate.

## What are its key features?

- CLD is an unlisted structured product embedded with derivatives, whose value and return depend on the performance of the Linked Currency on the Exchange Rate Fixing Date.
- By investing in the CLD, you are:
  1. Selling a put option on the Linked Currency to the Bank by which the Bank has a right, but not an obligation, to sell the Linked Currency to you at a pre-agreed rate called the "Strike Rate" on the Maturity Date when certain conditions (as described below) are met; and
  2. Receiving an option premium in the form of interest in return no matter the Bank exercises the put option or not. The Bank will pay you the Interest Amount which has been incorporated into Value at Maturity either in Deposit Currency or Linked Currency.
- On the deposit set up date, you are required to select a Deposit Currency and a Linked Currency. A Strike Rate, Exchange Rate Fixing Date and a Maturity Date will be set upon the confirmation of the order. When it comes to the Maturity Date, the Strike Rate will be compared with the exchange rate of the Deposit Currency against the Linked Currency on the Exchange Rate Fixing Date (i.e. Fixing Rate):
  1. If the Linked Currency, by comparing the Fixing Rate with the Strike Rate, appreciates or remains unchanged against the Deposit Currency, you will receive the Principal Amount plus the pre-agreed Interest Amount in Deposit Currency. **i.e. In this scenario, your return is capped at the pre-determined Interest Amount no matter how strong the Linked Currency strengthens against the Deposit Currency.**
  2. If the Linked Currency, by comparing the Fixing Rate with the Strike Rate, depreciates against the Deposit Currency, you will receive the Principal Amount plus the pre-agreed Interest Amount in Linked Currency with the calculation based on the Strike Rate. The market value of such return, if converted from the Linked Currency into the Deposit Currency, may be substantially lower than your Principal Amount. **In the worst case whereby the Linked Currency depreciates to zero, you may lose all of your investment.**
- Please note that offshore exchange rate will be quoted for Exchange Rate involving CNY.

## How can you subscribe for the product?

- You need to open a CLD account and sign an application form for order placement. You may also open a CLD account through our Internet Banking service. To subscribe for or request for more information about CLD, please visit any of the Bank's designated branches with investment corners.

## What are the fees and charges?

- There are no service fees or charges for placing a CLD as all related fees and charges incurred by the Bank are already inherently contained in and subsumed into the calculation of the Interest Rate.

## Can you sell the product before expiry?

- CLD is **NOT** transferable or tradable, and you cannot make early withdrawal or amendments to the terms of the CLD.

## Scenario analysis

The illustrative examples below are hypothetical and provided for illustration purpose only. The following scenarios are not based on the past performance of the Linked Currency (i.e. NZD of Example 1 and 2) against the Deposit Currency (i.e. HKD of Example 1 and CNY of Example 2) and do not represent all possible outcomes or describe all possible factors that may affect the return for investing in our CLD. The Bank is not making any prediction on future movements of the exchange rates between the Linked Currency and the Deposit Currency by virtue of providing the illustrative examples. The scenarios assume no fees and charges incurred in the currency transaction for receiving the Linked Currency from the Bank on the Maturity Date and subsequently selling the received Linked Currency in the market on or after the Maturity Date. All calculation results below are rounded off to two decimal places except for the decreases in percentages of the exchange rates, which are rounded off to four decimal places.

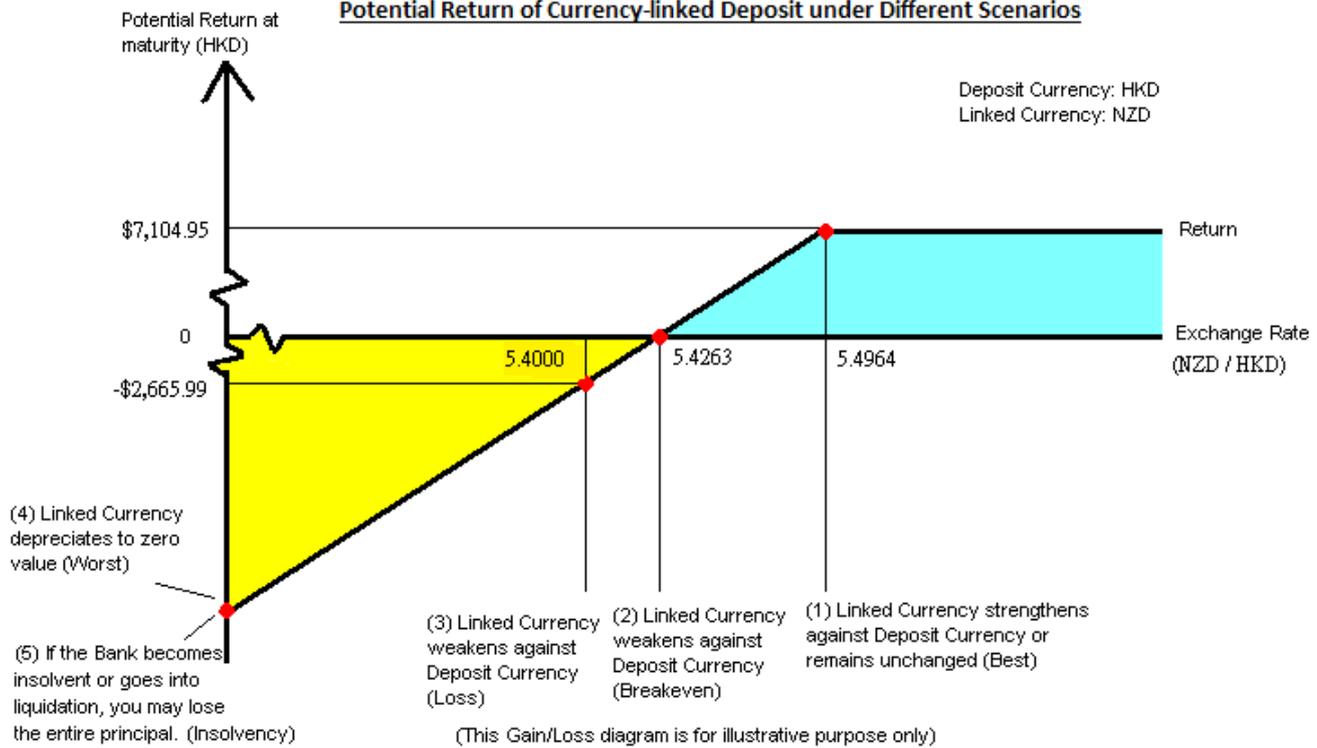
### Example 1

	Currency-linked Deposit
Deposit Currency	HKD
Principal Amount	\$550,000
Linked Currency	NZD
Tenor	31 days
Value Date	March 18, 20XX
Strike Rate*	5.4964 ( i.e.NZD1 = HKD5.4964 )
Exchange Rate Fixing Date / Maturity Date	April 18, 20XX
Interest Rate (p.a.)^	15.21%
Value at Maturity Date	If the Fixing Rate is at or above the Strike Rate (i.e.5.4964), HKD557,104.95 in total will be paid. (Calculation: $\$550,000 \times 15.21\% \times 31/365 + \$550,000$ )  If the Fixing Rate is below the Strike Rate (i.e.5.4964), NZD101,358.15 in total will be paid. (Calculation: $(\$550,000 \times 15.21\% \times 31/365 + \$550,000) / 5.4964$ )

\*Spot exchange rate is 5.5159 (i.e. NZD1=HKD5.5159)

^ This is expressed in an annualized format and is based on the hypothetical assumption that the CLD (HKD as "Deposit Currency") can be rolled over on the same terms for a period of 365 days. It does not reflect the actual Interest Rate for the Deposit Tenor of the CLD. You should not rely on the Interest Rate in an annualized format as an indication of the expected return for the CLD.

### Potential Return of Currency-linked Deposit under Different Scenarios



## Return analysis

	Fixing Rate	Value at Maturity Date	Net gain or loss	Rate of Return (Actual%)
<b>(1) Best case scenario – Linked Currency strengthens against Deposit Currency or remains unchanged</b>				
NZD strengthens against HKD or remains unchanged	5.4964 or above	HKD 557,104.95	HKD 7,104.95	1.29%
<b>(2) Breakeven scenario – Linked Currency weakens against Deposit Currency</b>				
NZD weakens against HKD	5.4263 (exchange rate down by 1.6244%)	NZD 101,358.15 (equivalent to HKD549,999.73)#	(HKD 0.27)	approximately 0.00%
<b>(3) Losing scenario – Linked Currency weakens against Deposit Currency</b>				
NZD weakens against HKD	5.4000 (exchange rate down by 2.1012%)	NZD 101,358.15 (equivalent to HKD547,334.01)#	(HKD 2,665.99)	-0.48%
<b>(4) Worst case scenario – Linked Currency depreciates to zero</b>				
NZD depreciates to zero	0.0000 (exchange rate down turning to zero)	NZD 101,358.15 (equivalent to HKD0.00)#	(HKD 550,000.00)	Loss of entire Principal Amount
<b>(5) Insolvency scenario – The Bank defaults</b>				
If the Bank becomes insolvent or goes into liquidation, you may lose the entire Principal Amount.				

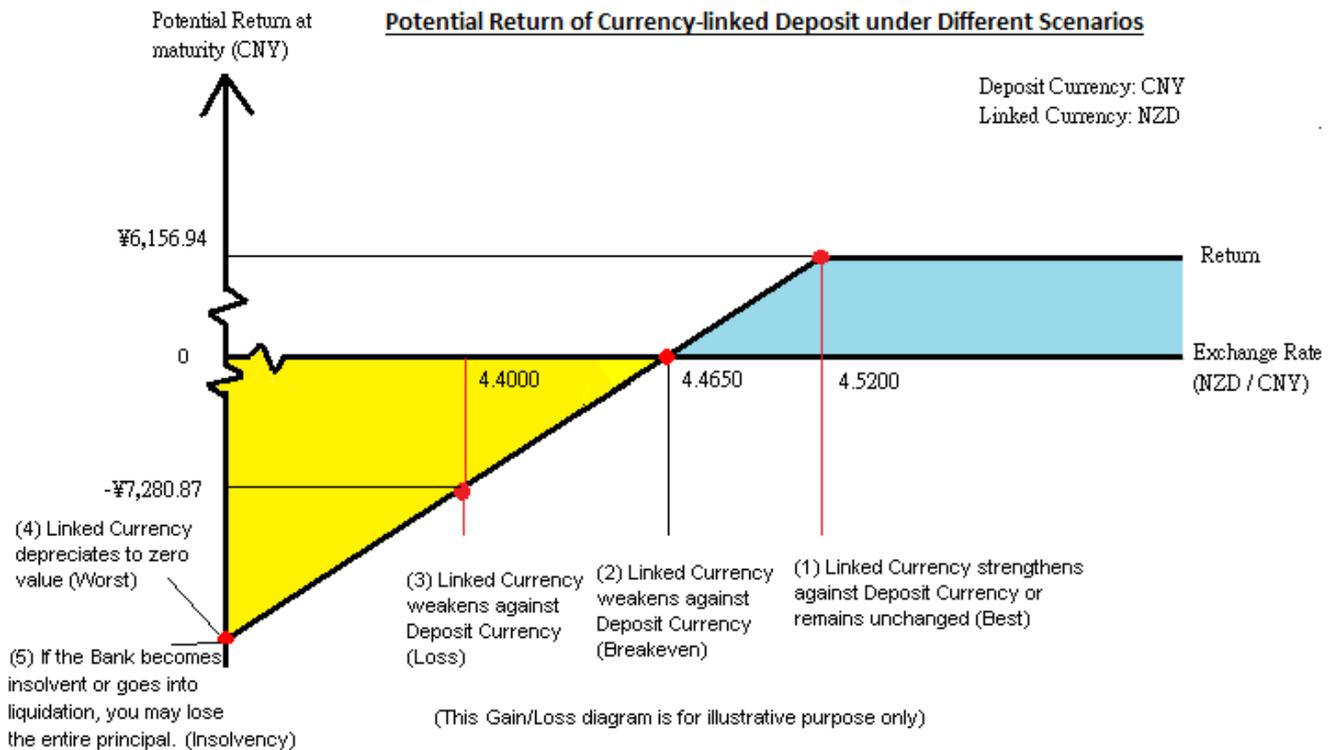
#Calculation: NZD (P+) x Fixing Rate

## Example 2

Currency-linked Deposit	
Deposit Currency	CNY
Principal Amount	¥500,000
Linked Currency	NZD
Tenor	31 days
Value Date	March 18, 20XX
Strike Rate*	4.5200 (i.e. NZD1 = CNY4.5200)
Exchange Rate Fixing Date / Maturity Date	April 18, 20XX
Interest Rate (p.a.) ^	14.30%
Value at Maturity Date	<p>If the Fixing Rate is at or above the Strike Rate (i.e.4.5200), CNY 506,156.94 in total will be paid. (Calculation: ¥500,000 x 14.30% x 31/360 + ¥500,000)</p> <p>If the Fixing Rate is below the Strike Rate (i.e.4.5200), NZD 111,981.62 in total will be paid. (Calculation: (¥500,000 x 14.30% x 31/360 + ¥500,000) /4.5200)</p>

\*Spot exchange rate is 4.5375 (i.e. NZD1=CNY4.5375)

^ This is expressed in an annualized format and is based on the hypothetical assumption that the CLD (CNY as “Deposit Currency”) can be rolled over on the same terms for a period of 360 days. It does not reflect the actual Interest Rate for the Deposit Tenor of the CLD. You should not rely on the Interest Rate in an annualized format as an indication of the expected return for the CLD.



## Return analysis (in deposit currency)

	Fixing Rate	Value at Maturity Date	Net gain or loss	Rate of Return (Actual %)
<b>Case 1 Best case scenario – Linked Currency strengthens against Deposit Currency or remains unchanged</b>				
NZD strengthens against CNY or remains unchanged	4.5200 or above	CNY 506,156.94	CNY 6,156.94	1.23%
<b>Case 2 Breakeven scenario – Linked Currency weakens against Deposit Currency</b>				
NZD weakens against CNY	4.4650 (exchange rate down by 1.5978%)	NZD 111,981.62 (equivalent to CNY499,997.93)#	(CNY 2.07)	approximately 0.00%
<b>Case 3 Losing scenario – Linked Currency weakens against Deposit Currency</b>				
NZD weakens against CNY	4.4000 (exchange rate down by 3.0303%)	NZD 111,981.62 (equivalent to CNY492,719.13)#	(CNY 7,280.87)	-1.46%
<b>Case 4 Worst case scenario – Linked Currency depreciates to zero</b>				
NZD depreciates to zero	0.0000 (exchange rate down turning to zero)	NZD 111,981.62 (equivalent to CNY0.00)#	(CNY 500,000.00)	Loss of entire Principal Amount
<b>Case 5 Insolvency scenario – The Bank defaults</b>				
If the Bank becomes insolvent or goes into liquidation, you may lose the entire Principal Amount.				

#Calculation: NZD (P+I) x Fixing Rate

## Return analysis (in home currency)

Taking the best case scenario (case 1) in the example above where the **value at maturity date is CNY 506,156.94**, assuming that HKD is your home currency and you choose to convert the value (at maturity date) back to your home currency at maturity, the following table shows your rate of gain/ loss against the Principal Amount in HKD, taking into account the fluctuation in the exchange rate of CNY (being the Deposit Currency) against HKD (being your home currency):

Scenario	Exchange rate of CNY/HKD on trade date (express as the amount of HKD per one CNY)	Principal amount on trade date (HKD Equivalent)	Exchange rate of CNY/HKD on maturity date (express as the amount of HKD per one CNY)	Value on maturity date (HKD Equivalent)	Rate of Return (Actual %)*
<b>(1) CNY appreciates against HKD</b>					
	1.10	HKD 550,000	1.15	HKD 582,080.48	+ 5.83%
<b>(2) CNY depreciates against HKD</b>					
	1.10	HKD 550,000	1.05	HKD 531,464.79	- 3.37%
<b>(3) CNY depreciates significantly against HKD</b>					
	1.10	HKD 550,000	0.00	HKD 0	- 100%

\*Rounded off to two decimal places

## Can the Bank adjust the terms or early terminate the product?

- If the Bank determines in its sole and absolute discretion that, among others, (a) the Linked Currency has depreciated substantially against the Deposit Currency; (b) an Event of Default has occurred; (c) the Bank has determined to uplift the Deposit; (d) there is an imposition of foreign exchange control which restricts the convertibility or transferability of the Deposit Currency or the Linked Currency; and/or (e) adverse and/or abnormal market conditions exist in the relevant foreign exchange market(s) of either or both of the Deposit Currency and the Linked Currency, the Bank may designate a date as the new Maturity Date for the CLD and /or early terminate the relevant CLD. An Event of Default includes, among others, any failure to satisfy any obligation under the CLD by you, the presentation of bankruptcy or winding up petition by or against you, or the appointment of receiver, liquidator or trustee over all or a material part of your assets.
- Upon occurrence of certain events (such as a revaluation of the currency pair, or a replacement of the Deposit Currency or Linked Currency by another currency as the lawful currency of the relevant jurisdiction, etc.), the Bank may in its sole and absolute discretion adjust the terms of the CLD to account for the effect of such event.
- Such adjustments or early termination events may negatively affect your return or may cause you substantial loss under the product. Please refer to Terms and Conditions-CLD for details of the adjustment and early termination events, conditions for application and the effect thereof.

## Pre-Investment Cooling-off Period for retail customers

Pre-Investment Cooling-off Period (“**PICOP**”) is applicable to each particular dealing of CLD if you are one of the following retail customer types:

- (1) An elderly customer aged 65 or above, who is a first-time buyer of CLD AND your asset concentration\* is below 20%\* AND you request to execute the **PICOP** arrangement; or
- (2) Any personal customer who is a first time buyer of relevant product types AND your asset concentration is 20% or above.

\* For the purpose of determining whether **PICOP** is applicable, asset concentration refers to the percentage of total net worth (excluding real estate properties) to be invested in this product.

## Continuing disclosure obligations

- Confirmation will be sent to you after the order placement of CLD is completed.
- The Bank will also give notice to you of any changes in our financial condition or other circumstances which could reasonably be expected to have a material adverse effect on our ability to fulfil our commitment in connection with our CLD.

## Information of the Bank

**OCBC Wing Hang Bank Limited**

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**Address: 161 Queen's Road Central, HKSAR**

**Website: [www.ocbcwhhk.com](http://www.ocbcwhhk.com)**

OCBC Wing Hang Bank Limited, incorporated in Hong Kong with limited liability, is a licensed bank regulated by the Hong Kong Monetary Authority. You can find out more information on the Bank and access the Bank's latest annual report and any interim report from our website [www.ocbcwhhk.com](http://www.ocbcwhhk.com).

## **Offering documents for the product**

- This statement, the Terms and Conditions-CLD, the OCBC Wing Hang Bank Limited Terms and Conditions for All Accounts and Related Services, Currency-linked Deposit Application Form (collectively referred to as “Offering Documents”) contain detailed information about the Bank and the terms of the product. You should read, understand, and agree all of the Offering Documents before deciding whether to invest in the product.

## **Important Notice**

Investment involves risks. Before investing in our CLD, you should obtain independent financial and legal advice and fully understand this product and its associated risks. This statement contains important facts only and it is not an offer, a solicitation of an offer, or any advice or recommendation to enter into a transaction. The examples given in this statement are given as an illustration only and should be read subject to the full Offering Documents governing the issue of a CLD, and you are advised to read and understand the contents of all the Offering Documents governing or relating to this product.

## **Additional information**

- The Bank is acting as the principal of this Currency-linked Deposit.
- The Bank is NOT an independent intermediary because the Bank is the issuer of Currency-linked Deposit and receives fees or other monetary benefits in relation to the sale of the Currency-linked Deposit to you.