

1 Terms and Conditions

The following conditions will apply on each occasion when you request (a “**CNY Payment Request**”) a payment denominated in CNY (Renminbi) (the “**CNY Payment**”) to be sent to a beneficiary in the People’s Republic of China, except Hong Kong and Macau Special Administrative Regions and Taiwan (“**PRC**”). You will be deemed to have agreed to these conditions when you make the CNY Payment Request. These conditions also apply, to the extent expressly stated, to any remittance denominated in CNY (Renminbi) (a “**CNY Remittance**”) that we receive on your behalf from an entity located in the PRC.

- 1 You confirm that the CNY Payment or CNY Remittance is for the sole purpose of settling one or more valid and genuine trade transaction(s) with an entity located in the PRC (“**Trade Transaction**”).
- 2 In addition to the information that you otherwise provide in a CNY Payment Request, you will also include an invoice number or purchase order number in relation to the transaction to which the CNY Payment relates and the 12-digit CNAPS (China National Advanced Payment System) code of the beneficiary’s bank in the PRC. If no CNAPS code is provided your payment may be delayed or returned unpaid without any liability on our part.
- 3 We shall have the right, without your express consent or consultation with you, to amend or add to the information contained in your CNY Payment Request so that the requested payment is, in our opinion, made in compliance with the rules and regulations of the PRC or of any department or authority of the PRC. You will, on our request, supply us with such additional information as we shall deem necessary or advisable to ensure that the application is so compliant.
- 4 All information submitted by you in the CNY Payment Request, including the full name and address of the beneficiary and the details of the beneficiary’s account, must be in English.
- 5 You shall retain for a period of not less than 7 years from the date of submission of a CNY Payment Request or the receipt of a CNY Remittance, documentation necessary to demonstrate that the purpose of the CNY Payment applied for or the CNY Remittance received was the settlement of a Trade Transaction. You shall provide such documentation to us upon our request from time to time.

- 6 We shall have the right, without any liability to you whatsoever, to refuse to comply with a CNY Payment Request if, in our opinion, the requested payment and/or its receipt by the beneficiary in the PRC would or would be likely to contravene any rules or regulations of the PRC or of any department or authority of the PRC, including the People’s Bank of China or the State Administration of Foreign Exchange. You accept the risks associated with payments in CNY being non freely convertible currency and subject to legal and regulatory restrictions of the PRC.
- 7 Our ability to comply with a CNY Payment Request is subject to the availability to us of CNY.
- 8 As a result of PRC controls which prevent currency from flowing abroad and into the PRC there exists a separation between Renminbi traded onshore (“**CNY**”) and Renminbi traded offshore (“**CNH**”). Payments in CNH are not available but any foreign exchange conversion carried out in connection with the CNY Payment or any CNY Remittance may be made by reference to the CNH foreign exchange conversion rate rather than the CNY foreign exchange conversion rate and we shall not be responsible for any resulting loss that may arise.
- 9 You should ensure that the information accompanying a CNY Remittance includes the full name and address in English for both you and the entity remitting the payment. In particular, the 4-digit company number of the entity remitting the payment will not, in the absence of that entity’s full name and address, be sufficient. We shall have no liability to you for any loss or damage that you may incur should we or any bank acting on our behalf be unable to accept a payment due to the absence of this information.
- 10 A CNY Payment or a CNY Remittance will give rise to additional charges details of which will be separately made available to you and you unconditionally and irrevocably authorise us to debit your account with these charges.

2 Important Information about making and receiving payments in Chinese Renminbi

Cut-off times to make a payment in Chinese Renminbi

The cut-off time for making a payment in Chinese Renminbi is 14:00 UK time.

Value dates for an outward payment and an inward receipt

Value dates for inward and outward payments are 2 working days, if instructions are received prior to 14:00 UK time, e.g. if you want to pay a customer on Wednesday, you must submit your instruction before 14:00 on Monday.

Agents’ fees

You should be aware that additional Agent’s fee will apply.

To minimise these charges being deducted from the beneficiary you can elect to make a payment with a charging code OUR (remitter pays all charges) and we are able to offer a guaranteed OUR charge.

The beneficiary should receive the full value of the payment and you will incur no additional charges at a later date. This charge is in addition to Lloyds Banking Group charges.

Regulatory requirements for making payments to mainland China

Owing to Chinese regulatory requirements payments in Chinese Renminbi where the beneficiary is located in the People’s Republic of China (PRC) must meet the following conditions, as detailed in the Chinese Renminbi Supplemental International Money mover

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- 1 The transaction must be for the sole purpose of settling a trade transaction.
- 2 The payment must contain an invoice or purchase order number relating to the trade transaction. If the payment does not contain an invoice or purchase order number the payment will be delayed.
- 3 Payments can only be made to companies and not individuals.
- 4 The 12-digit CNAPS (China National Advanced Payment System) number must be provided. If the payment does not contain a CNAPS number the payment may be delayed or returned unpaid and incur additional charges.

The CNAPS number should be provided in the format: /CNnnnnnnnnnn (where n is a number).
- 5 All information must be in English, Chinese characters are not acceptable.
- 6 You are required to retain documentary evidence of the underlying invoice for 7 years and will be required to produce documentation if requested by Lloyds Banking Group.

Please note: Where the beneficiary is located outside the People’s Republic of China (PRC) (including Hong Kong, Macau Special Administrative Regions and Taiwan), payments do not need to comply with the above requirements.