

CONFIDENTIAL



CIC Sustainable Finance Certification Scheme  
建造業議會可持續金融認證計劃

# **CIC Sustainable Finance Certification Scheme (SFCS)**

## **Terms and Conditions**

October 2021

## **Terms and Conditions (T&C) of the SFCS**

This T&C shall be read in conjunction with the other documents issued by the Construction Industry Council in relation to the SFCS, including but not limited to the User Guide.

This T&C is provided in the English and Chinese language. In the event of inconsistency or discrepancy between the English version and Chinese version of the T&C, the English language version shall prevail.

### **1. INTERPRETATION**

In this T&C, unless the context otherwise requires:

“**CIC**” means Construction Industry Council, the scheme owner of the SFCS.

“**SFCS**” and “**Scheme**” mean CIC Sustainable Finance Certification Scheme, the name of this scheme.

“**Appeal Board**” means a board established by CIC for the purpose of hearing an appeal related to the SFCS. The Board appointed in respect of each appeal shall consist of the Executive Director of CIC (or his appointed deputy) and at least two other members drawn from CIC.

“**Applicant**” means a party applying under the SFCS for certification of a Sustainable Finance Instrument.

“**Application**” means an application lodged and/or to be lodged by an Applicant for the SFCS.

“**Assessment**” means an in-depth assessment conducted by CIC to determine whether an Applicant fulfils the requirements of the SFCS.

“**Scheme Operator**” means the operator of the SFCS appointed by CIC.

“**Assessor**” means an independent assessor that provides confirmations, assessments and/or conclusions to the Scheme Operator(s) and CIC in order to prove an applicant's conformance to the requirements of the SFCS.

“**Certificate**” means a certificate issued by CIC recognising that the relevant Sustainable Finance Instrument complies with the certification requirements listed in this T&C, the User Guide and other relevant documents. Details of the types of Sustainable Finance Instrument and their characteristics are listed in the User Guide.

**“Certification Number”** means a unique certificate number indicating that a specified Sustainable Financial Instrument issued, invested, established, created and/or set up by an Applicant (as the case may be) is duly certified under the SFCS.

**“Green Loan”** means any type of loan instrument made available exclusively to finance or re-finance, in whole or in part, new and/or existing eligible Green Projects. Green loans must align with the four core components of the Green Loan Principles.

**“Green Guarantee”** is similar to Performance Guarantee, Performance Bond and Surety Bond in nature; It means any type of performance bond instrument to made available exclusively as an undertaking by a bondsman to guarantee against the non-performance of the contractor or subcontractor to complete designated projects with all green obligations specified in the contract met.

**“Impact Report”** means the report drafted and prepared by CIC for the reporting of performance and progress of the Key Performance Indicators (KPIs) and Sustainability Performance Targets (SPTs) declared by the applicants together with other amendments, supplements and/or additions made by CIC at its sole and absolute discretion from time to time.

**“Logo”** means the graphic mark located at the header of SFCS documents, which was specifically designed to represent the CIC SFCS.

**“Logo Use Guidelines”** means the guideline governing the use of the logos of CIC SFCS which is drafted and prepared by CIC for the SFCS.

**“Relevant Documents”** means the set of documents which are drafted and prepared by CIC for the SFCS together with other amendments, supplements and/or additions made by CIC at its sole and absolute discretion from time to time. This includes “Appeal Form”, “Application Form”, “Assessment Report”, “Feedback Form”, “Impact Report”, “Logo Use Guidelines”, “Technical Requirements”, “Terms & Conditions”, “Undertaking Letter”, “User Guide”, “User Guide for Scheme Operator”, and “Verification Report”. Relevant documents may refer to different sets of documents depending on the situation and stakeholders, however, applicants, assessors, Scheme Operators, CIC and all stakeholders shall uphold and strictly adhere to the documents published for the SFCS.

**“Sustainability-linked Loan”** means any type of loan instruments and/or contingent facilities which incentivise the borrower’s achievement of ambitious, predetermined sustainability performance objectives.

**“Sustainability-linked Guarantee”** is similar to the Green Guarantee in nature, as an undertaking by a bondsman to guarantee against the non-performance of the borrower’s achievement of ambitious, predetermined sustainability performance objectives.

**“Sustainable Finance Framework” (“Framework”)** means the framework outlining the internal processes and controls applied to the issuance and management of the sustainable financial instruments, content covers the core components set in the Green Loan Principles and/or Sustainability-linked Loan Principles, such as project eligibility and criteria.

**“Sustainable Financial Instruments”** means Green Loans, Green Guarantee, Sustainability-linked Loans, and Sustainability-linked Guarantees which are eligible for certification under the SFCS.

**“User Guide”** means the User Guide(s) which are drafted and prepared by CIC for the SFCS together with other amendments, supplements and/or additions made by CIC at its sole and absolute discretion from time to time. Two sets of User Guide are prepared for the SFCS, including “User Guide” for applicants and “User Guide for Scheme Operator” for the Scheme Operator.

**“SFCS Website”** means <https://www.sfcs.cic.hk>.

**“Hong Kong”** means the Hong Kong Special Administrative Region of the People’s Republic of China.

**“Terms and Conditions”** and **“T&C”** mean these terms and conditions of the SFCS together with other amendments, supplements and/or additions made by CIC at its sole and absolute discretion from time to time.

## 2. SPECIFIC LIMITATIONS AND EXCLUSIONS

2.1. This Scheme will not:

- 2.1.1. provide any financial, legal, tax, advisory, or consultative services to the Applicant;
- 2.1.2. provide any other consulting, advisory or other advice of any type to the Applicant on structuring the transaction or drafting transaction documents;
- 2.1.3. provide assurance on information outside the defined reporting boundary and period;

- 2.1.4. verify the Applicant's financial statements or economic performance;
  - 2.1.5. verify the Applicant's statements that describe expressions of opinion, belief, aspiration, expectation, aim or future intention, or that describe national or global socio-economic or environmental aspects; and
  - 2.1.6. provide any other consulting, advisory or other advice of any type in respect of the repayment ability, profitability, financial stability, operation and/or business model of the Applicant.
- 2.2. The issuance of a Certificate must not be construed or represented as CIC rendering any advice (including investment advice), or giving any guarantee, warranty and/or assurance, on any project, project portfolio, product, or product portfolio that is in whole or in part to be funded, to be invested in, related to and/or connected with the proceeds and/or the funds related to the Sustainable Finance Instrument.
- 2.3. The Applicant understands that the issuance of a Certificate by CIC is not and is not intended to be a comment on market price, investor preference or investor suitability and does not contain any investment advice. The Applicant agrees, warrants and guarantees that it will not use the Certificate in any such way.
- 2.4. For applicable requirements of the User Guide, CIC and/or the Scheme Operator(s) shall determine the conformance of an Applicant in accordance with the methodology adopted by CIC and/or the Scheme Operator(s) at their sole and absolute discretion after taking into account of the nature of different kinds of Sustainable Finance Instruments. In case that CIC and Scheme Operator disagree on the course of action to take, CIC reserves the right of final decision. CIC and/or the Scheme Operator(s) shall not, and have no duty to, verify nor provide assurance as to the financial records and status of proceeds and/or funds provided by an Applicant.
- 2.5. CIC and/or the Scheme Operator(s) may use information, documents and evidence provided by an Applicant during the Application process. However, CIC and/or the Scheme Operator(s) is not obligated to perform any assessment nor assurance on the accuracy, veracity and credibility of any information, documents or evidence provided by the Applicant. CIC and/or the Scheme Operator(s) also are not obligated to conduct any due diligence on or independent verification of any information, documents and evidence provided by the Applicant. Applicants shall bear the full responsibility in assuring the accuracy, veracity and credibility of the supporting information, documents, and evidence provided.

### **3. APPLICATION**

- 3.1. An Applicant shall submit an application through the SFCS Website to CIC and/or the

Scheme Operator(s) and provide all information, documents and evidence (e.g., its incorporation documentation or similar) required by CIC and/or the Scheme Operator(s) at their sole and absolute discretion from time to time. CIC and/or the Scheme Operator(s) agrees to examine and proceed the Application in accordance with the T&C, the User Guide and the relevant documents.

- 3.2. Once the Application is received, the Scheme Operator(s) appointed by CIC shall review the Application to ensure that all required information, documents and evidence have been provided and the Applicant is prepared and ready to be examined. The required information, documents, evidence and other requirements of the Application are given in the User Guide and the relevant documents.
- 3.3. CIC and the Scheme Operator(s) are entitled to raise inquiries and/or request the Applicant to provide further information, documents and evidence to determine the qualification of its Sustainable Finance Instruments to be certified under the SFCS. The Applicant hereby agrees that CIC and/or the Scheme Operator(s) shall be entitled to retain such information, documents and evidence. All information submitted to CIC and/or the Scheme Operator(s) will only be used for the purpose of the SFCS and will not be disclosed to third parties without the consent of the Applicant.
- 3.4. The Applicant understands and agrees that the time required to review all information and to raise inquiries for each Application depends on various factors, including but not limited to the completeness of the information. Neither CIC nor the Scheme Operator(s) therefore guarantee the time required to complete the review or Assessment of each Application.

#### **4. ASSESSMENT**

- 4.1. Following the submission of an Application , the Applicant will be subject to an Assessment, pursuant to the requirements listed in this T&C, the User Guide and the relevant documents, in which an independent Assessor shall verify and confirm the conformance to such requirements. CIC and/or the Scheme Operator(s) are entitled to take follow-up actions at their sole and absolute discretion from time to time if the information, documents and evidence submitted for review are insufficient to prove that the Applicant has satisfied the SFCS requirements. Follow-up actions may include document review, email communications, interviews and/or other actions if CIC and/or the Scheme Operator(s) think fit.
- 4.2. If an Applicant refuses to or otherwise does not co-operate with CIC and/or the Scheme Operator(s) or refuses to take part in any part of the SFCS Assessment or follow-up as mentioned in Clause 4.1 hereof, CIC shall be entitled to withdraw or disapprove the relevant Application.
- 4.3. An Applicant, having become a holder of a SFCS Certificate, is subject to ongoing

monitoring by CIC and/or the Scheme Operator(s) from time to time. Applicants shall acknowledge that the post-lending stage Assessments shall be carried out on a regular basis at CIC's and/or the Scheme Operator's sole and absolute discretion in order to verify the continual performance and fulfilment of all the technical requirements under the SFCS pursuant to the T&C, the User Guide and the relevant documents.

- 4.4. All Assessments will be carried out by CIC, Scheme Operator(s) and/or assessor(s) in accordance with the T&C, the User Guide and the relevant documents. The Applicant hereby acknowledges, and agrees to comply with, all requirements under the T&C, the User Guide and the relevant documents. CIC and/or the Scheme Operator(s) will merely carry out a completeness checking determining whether the application form is completed with all applicable items addressed; and whether all required information, documents and evidence are submitted and sufficient for assessors to conduct an assessment. Although CIC and/or the Scheme Operator(s) will merely carry out a completeness checking and has no duty of due diligence or independent verification of any information, documents and evidence provided by the Applicant, CIC and/or the Scheme Operator(s) hereby reserves all rights to (a) verify and examine the validity of the self-declaration made by the Applicant pursuant to this T&C, the User Guide and the relevant documents; (b) to request the Applicant to provide all necessary information, documents and evidence to CIC in order to verify the confirmation, Assessment and/or conclusion provided by the Assessor; (c) to request the Applicant to provide all necessary information, documents and evidence to CIC in order to enable CIC to carry out Assessments from time to time under the SFCS.
- 4.5. Without limitation to Clause 4.4 hereof:
- 4.5.1. All Assessments will be carried out by qualified and experienced personnel, appointed by the CIC.
- 4.5.2. CIC and/or the Scheme Operator(s) agrees that a decision on whether to approve an Application will be subject to objective evidence provided by the Applicant, as well as other technical requirements listed in this T&C, the User Guide and other relevant documents.
- 4.5.3. The Applicant acknowledges its responsibility to ensure that the SFCS Certificate or Logo are used in accordance with the Logo Use Guidelines, T&C, the User Guide and other relevant documents.
- 4.5.4. CIC and/or the Scheme Operator(s) shall notify the Applicant of the processes and fees for any Assessment. Notification will be sent to the applicants in each major stage of the assessment such as the receipt of application.
- 4.5.5. All Applicants represent, acknowledge, agree, warrant and guarantee that (a) all information, documents and evidence provided to CIC and/or the Scheme

Operator(s) under the SFCS are true, correct, accurate, complete and not misleading in all material respects; and (b) all relevant information, documents and evidence conform to the requirements of SFCS and that CIC and/or the Scheme Operator(s) will merely carry out an objective Assessment and evaluation and has no duty of due diligence or independent verification of any information, documents and evidence provided by the Applicant.

4.6. It may be necessary for CIC and/or the Scheme Operator(s) to conduct Assessments or otherwise respond in relation to changes in any Application information. In such cases:

4.6.1. An Applicant will allow CIC and/or the Scheme Operator(s) together with its personnel to conduct such Assessments or follow-up actions and will provide full cooperation and assistance to CIC and/or the Scheme Operator(s) and its personnel from time to time; and

## **5. CERTIFICATION**

5.1. Once an Application is approved, Applicants agrees to fully and duly comply with the following requirements:

5.1.1. The Applicant shall accept and fully comply with this T&C, the User Guide, and the relevant documents of the SFCS at all times;

5.1.2. The Applicant shall carry on a bona fide business;

5.1.3. The Applicant shall provide to CIC and/or the Scheme Operator(s) with such undertakings and proof of the Applicant's legal entity as CIC may require from time to time; and

5.1.4. The Applicant shall pay all necessary fees to CIC and/or the Scheme Operator(s) punctually.

5.2. CIC and/or the Scheme Operator(s) shall issue a confirmation email with a certificate to the Applicant once its Application is approved.

5.2.1. If an Applicant for whatever reason fails and/or refuses to provide all necessary information, documents and evidence as requested by CIC and/or the Scheme Operator(s) in order to enable CIC and/or the Scheme Operator(s) to assess the Application within 1 month from the date of request, the Application shall be deemed to be rejected and all fees (including but not limited to the application fees) paid by the Applicant to CIC and/or the Scheme Operator(s) will be forfeited by CIC and no refund or transfer will be made to the Applicant in any event. If the Applicant still wishes to continue its Application, the Applicant is required to resubmit the Application.



## **6. INFORMATION**

6.1. The Applicant agrees to provide to CIC and/or the Scheme Operator(s) all information, documents and evidence set out in the Technical Requirements, to facilitate confirmation of the following matters:

6.1.1. whether to issue a Certificate to the Applicant; and

6.1.2. whether, from the date the Certificate took effect, the Applicant has continued to comply with the technical requirements of the SFCS.

## **7. IMPARTIALITY**

7.1. CIC and/or the Scheme Operator(s) recognises the importance of impartiality, the active management of conflicts and objectivity in operating the SFCS, and CIC and/or the Scheme Operator(s) agrees to use all reasonable efforts to operate the SFCS in a fair and impartial manner.

## **8. ASSIGNMENT**

8.1. The Applicant cannot, and is not permitted to licence, assign or otherwise transfer the right to, use the Certificate and/or the Logo under any circumstances without the prior written permission of CIC.

8.2. If an Applicant breaches Clause 8.1 hereof, CIC is entitled to withdraw and cancel the Certificate issued to the Applicant forthwith without any notice to the Applicant.

## **9. OBLIGATIONS OF THE APPLICANT**

9.1. The Applicant hereby represents, warrants and undertakes to CIC and the Scheme Operator(s) that it shall:

9.1.1. comply with the requirements set forth in this T&C, the User Guide and the relevant documents at all times;

9.1.2. prepare, maintain and keep all the required information, documents and evidence as stated in this T&C, the User Guide and the relevant documents and provide the aforesaid information to CIC as requested by CIC and/or the Scheme Operator(s) in a timely manner;

9.1.3. inform CIC and the Scheme Operator(s) in writing in the case of foreseeable or actual changes on (i) the legal entity of the Applicant (ii) the substance of

the contractual terms and legal form of the specified Sustainable Finance Instrument; (iii) any change to the Sustainable Finance Framework within one (1) month after the occurrence of the foreseeable or actual changes;

- 9.1.4. acknowledge and accept that additional Assessments or a new Application may be needed due to the changes made as described in sub-clause 9.1.3 hereof.
- 9.1.5. not use its Certificate in such a manner as to bring CIC into disrepute or loss or damage, and shall not make and/or shall cease making any statement regarding its Certificate which CIC may consider inappropriate, inaccurate or misleading;
- 9.1.6. ensure that its certification documents, including but not limited to the Certificate, any report, or any part thereof and the SFCS logo are used without any amendment and are not used in a misleading manner or in breach of the T&C, the User Guide and the relevant documents;
- 9.1.7. ensure that (1) the documents related to the specified Sustainable Finance Instrument issued to the public and/or relevant investors contain detailed information in respect of (a) the type of the Certificate; (b) the scope of certification; and (c) the Assessment method of the SFCS; OR (2) the public and/or relevant investors are notified regarding the way to access detailed information in respect of (a) the type of the Certificate; (b) the scope of certification; and (c) the Assessment method of the SFCS;
- 9.1.8. make available to CIC and/or Scheme Operator(s), when requested, records of all complaints and stakeholders' comments in relation to the specified Sustainable Finance Instrument, as well as the actions, feedbacks and replies taken and/or given by the Applicant in response to such complaints and stakeholders' comments if applicable;
- 9.1.9. provide all necessary information, documents and evidence to CIC and/or the Scheme Operator(s) during, or when required, for Assessments conducted by CIC and/or the Scheme Operator(s) and shall ensure that all such information, documents and evidence are true, correct, complete and not misleading in all material respects and that there are no undisclosed facts which would render any such information, document or evidence inaccurate or misleading in any material respects or which, if disclosed, might reasonably affect the decision of CIC and/or the Scheme Operator(s) regarding the Application; and
- 9.1.10. only use its Certificate in respect of the specified Sustainable Financial Instrument, and not in respect of any parent, subsidiary, affiliate, partner or other organisations or any other non-certified debt instrument or application

under the SFCS, including but not limited to by using any misleading English, Chinese or other translation or version of the name of an entity, or a product, etc.

- 9.2. The Applicant hereby warrants that all the submitted information have in the past, and will in the future, be entirely accurate, genuine, complete and not misleading in all material respects and that its continuing certification under the SFCS is conditional on the Applicant's strict compliance with this warranty.
- 9.3. The Applicant agrees that if its Certificate becomes non-conformant with the SFCS requirements in this T&C, the User Guide and/or the relevant documents, then the Applicant must provide a written notice to CIC and the Scheme Operator(s) within one month of the becoming aware of the non-conformance.

## **10. CHARGES**

10.1. CIC shall charge and the Applicant shall pay:

10.1.1. An application fee which is non-refundable and non-transferable in any event and payable upon submission of the prescribed Application Form. There shall be no refund or transfer of the application fee notwithstanding that its Certificate is terminated or an Applicant has its Certificate rights suspended or withdrawn; and

10.1.2. An appeal fee upon submission of the prescribed Appeal Form. The appeal fee will be refunded to the applicant only if the appeal is found to be valid. Otherwise, the appeal fee is non-refundable and non-transferable.

10.2. The application fee and appeal fee for each Sustainable Financial Instrument shall be reviewed by CIC from time to time (e.g. annual basis) on a fair and reasonable basis.

10.3. If an Applicant cannot, refuses and/or fails to pay any fee referred to in Clause 10.1 hereof on the respective due dates, CIC shall be entitled to (a) terminate its application with immediate effect without prior notice and without affecting CIC's right to claim against the Applicant for any antecedent breach against this Terms and Conditions ; (b) dismiss the Applicant's appeal, if any; and (c) forfeit all the fees paid by the Applicant.

## **11. CONFIDENTIALITY**

11.1. In order to increase the transparency of the Assessment process and technical requirements of the SFCS, the Applicant understands and agrees that the CIC and/or the Scheme Operator(s) is entitled to and will disclose the following information to the public and/or relevant investors via its website and/or other channels:

- 11.1.1. type of Sustainable Financing Instrument;
  - 11.1.2. name of the Applicant;
  - 11.1.3. name of the project (for project level application only);
  - 11.1.4. issue date of the Certificate;
  - 11.1.5. summary report (if agreed to be disclosed by the Applicant);
  - 11.1.6. submission year and verification status of impact report;
  - 11.1.7. other information as required to be disclosed in the User Guide;
  - 11.1.8. other information as agreed to be disclosed by the Applicant; and
  - 11.1.9. other information which can increase the transparency of the SFCS as determined by CIC from time to time at its sole and absolute discretion.
- 11.2. Subject to Clause 11.1 hereof, all other information of a technical or business nature disclosed by the Applicant to CIC and/or the Scheme Operator(s) in the Application process shall be regarded as confidential and shall only be used by CIC and/or the Scheme Operator(s) for SFCS purposes and shall not be disclosed to any third party without the prior written consent of the Applicant, provided that the foregoing obligations of confidence shall not apply to information which is:
- 11.2.1. available in the public domain;
  - 11.2.2. already in the possession of CIC and/or the Scheme Operator(s) or later comes into the possession of CIC and/or the Scheme Operator(s) without any obligations of confidence from an independent third party who has not derived it from the Applicant in question;
  - 11.2.3. disclosed to a third party pursuant to the written consent of the Applicant in question; and
  - 11.2.4. disclosed to a third party pursuant to statutory, regulatory or other legal requirements including any order of court.
- 11.3. CIC and/or the Scheme Operator(s) shall if practicable prior to disclosure of information under Clause 11.2.4 hereof and inform the Applicant of the intended disclosure unless prohibited by law.
- 11.4. CIC and/or the Scheme Operator(s) confirms that it shall inform all responsible parties including Appeal Board members and assessors acting on their behalf of the confidentiality obligations of CIC as specified hereof, and CIC and/or the Scheme Operator(s) shall be responsible for ensuring that such parties keep all relevant information confidential.

## 12. EXCLUSION OF LIABILITY

- 12.1. CIC and/or the Scheme Operator(s) shall not be liable to the Applicant for any loss or damage whatsoever or howsoever caused arising directly or indirectly in connection with the SFCS or the sale of financial instruments (the specified Sustainable Financial Instruments issued, received, to be issued or to be received by the Applicant) or the investment of funds, the sale of goods or rendering of services to anyone including the public by the Applicant and notwithstanding the generality of the foregoing, CIC and/or the Scheme Operator(s) expressly excludes liability for consequential loss or damage suffered by the Applicant including any loss or damage from claims brought by any clients or customers of the Applicant, or for loss of profit, business, revenue, goodwill or anticipated savings.
- 12.2. In addition to Clause 12.1 hereof, all conditions and warranties on the part of CIC and/or the Scheme Operator(s) implied by statute, common law or otherwise are expressly excluded to the full extent possible.
- 12.3. Without prejudice to Clauses 12.1 and 12.2 hereof, and in the event that the courts of Hong Kong consider a complete exclusion of liability hereunder to be unreasonable, CIC and/or Scheme Operator(s)'s liability in contract, tort or otherwise to the Applicant with respect to any claim arising from its acts or omissions or negligence in assessing/certifying the SFCS shall be capped at the lower of the amount of fees received by CIC and/or the Scheme Operator(s) from the Applicant in the year for which the fee is paid and in which the alleged liability arises.
- 12.4. The Applicant acknowledges that CIC and/or the Scheme Operator(s) relies on its review of information, documents and evidence provided by the Applicant as required by this T&C, the User Guide and the relevant documents to process and consider the Application. The Applicant is solely responsible for the truthfulness, accuracy and completeness of the contents of its self-declaration made under the SFCS.
- 12.5. The Certificate and the Logo are issued by CIC in good faith pursuant to all requirements under the SFCS. However, CIC and/or the Scheme Operator(s) bears no responsibility or warranty of any kind, express or implied, regarding the accuracy, adequacy, validity, reliability or completeness of the Certificate and/or the Logo for the purpose of applying for and/or satisfying other qualifications, approvals, certifications, permits granted and/or issued by relevant authorities and organisations.

### **13. INDEMNITY**

- 13.1. The Applicant shall be liable for and will irrevocably indemnify and keep indemnified CIC and the Scheme Operator(s) on a full indemnity basis against all liabilities, losses, damages, costs, legal costs, professional and other expenses of any nature incurred by CIC or the Scheme Operator(s) whether direct or consequential (including but without limitation to any economic loss of profits, business or goodwill) arising from any

dispute or contractual, tortious or other claims brought against CIC and/or the Scheme Operator(s) by a third party claiming relief against CIC and/or the Scheme Operator(s) in respect of any event arising from and/or in connection with any breach of this T&C, the User Guide and/or the relevant documents by the Applicant.

#### **14. SUSPENSION OF A CERTIFICATE**

14.1. If an Applicant is temporarily unable to or fails to comply with this T&C, the User Guide and/or the relevant documents, then CIC is entitled to:

- (a) require the Applicant to discontinue the use of the SFCS Certificate/Logo and/or the making of any claim related to the certification under the SFCS with immediate effect until it is satisfied that the SFCS requirements are achieved again, and the Applicant has remedied any breach of this T&C, the User Guide and/or the relevant documents; and/or
- (b) temporarily amend the scope of the Certificate if the Applicant is unable to comply with this T&C, the User Guide and/or the relevant documents in respect of the original scope of its Certificate.

#### **15. WITHDRAWAL AND CANCELLATION OF A CERTIFICATE**

15.1. CIC is entitled, at its sole and absolute discretion, to (i) withdraw and cancel a Certificate issued to an Applicant; and/or (ii) refuse and/or reject an Application by issuing a written notice to the Applicant if:

- 15.1.1. the Applicant is unable to comply with the SFCS requirements and/or commits a breach of this T&C, the User Guide and/or the relevant documents, including but not limited to any failure to permit the assessment of Impact Report . Provided that if the breach can be remedied, the notice shall only be given if the Applicant refuses and/or fails to remedy the same within one (1) month after CIC issues a written notice to the Applicant specifying the breach and requiring the Applicant to remedy the same;
- 15.1.2. the Applicant is subject to a suspension order or an amendment order under Clause 14 hereof for more than six (6) months; or
- 15.1.3. the Applicant becomes subject to any winding up petition or winding up order, makes any arrangements or composition with its creditors, enters into liquidation, whether compulsory or voluntary (but not including liquidation for the purpose of reconstruction), has a receiver of its business appointed, or has an officer of the Applicant convicted of an offence tending to discredit the reputation or good faith of the Applicant.

## **16. CONSEQUENCE OF WITHDRAWAL AND CANCELLATION**

- 16.1. Upon withdrawal and cancellation of a Certificate, the Applicant agrees, undertakes and warrants that it shall forthwith:
- 16.1.1. cease using the Certificate and/or the Logo in any manner whatsoever and shall cease using any advertising or other material that may imply that the specified Sustainable Finance Instrument is certified under the SFCS;
  - 16.1.2. cease carrying on business or operating in a manner which may cease holding out any present connection or association with SFCS
  - 16.1.3. at CIC's sole and absolute option, either deliver up to CIC or destroy, in the presence of a representative of CIC if so required by CIC, the Certificate, all materials and items bearing the Logo and other materials contemplated by sub-clause 16.1.1 hereof; and
  - 16.1.4. notify all customers of the Applicant regarding the termination of the Certificate under the SFCS.

## **17. DURATION**

- 17.1. This T&C, the User Guide and the relevant documents shall be amended from time to time and shall bind an Applicant for so long as its Certificate is valid under the SFCS.
- 17.2. Notwithstanding that an Applicant's Certificate is no longer valid under the SFCS, Clauses 12, 13, 21, 22, 23, 24, 25 and 26 hereof shall continue to have effect in relation to such Applicant.

## **18. COMPLAINTS**

- 18.1. CIC and/or the Scheme Operator(s) agrees to investigate all reasonable complaints received in respect of the operation of the SFCS, including but not limited to the application, the assessment and certification and the appeal processes.
- 18.2. Upon receipt of a complaint, CIC and/or the Scheme Operator(s) shall confirm whether the complaint relates to the SFCS and, if so, CIC and/or the Scheme Operator(s) shall use reasonable efforts to handle the same. Such complaints shall be addressed and investigated in accordance with CIC's complaint handling procedure.

## **19. APPEAL**

- 19.1. In the event that the Applicant wishes to appeal against any decision of CIC under this T&C, it shall, within twenty-one (21) days after being officially informed by CIC and/or

the Scheme Operator(s) of such announcement of result, complete and sign the appeal form and submit the appeal form with the appeal fee to the CIC. Late appeal applications and applications with late payment of fees will not be considered.

- 19.2. Upon receipt of a duly completed Appeal Form together with the required fee, the CIC shall appoint an Appeal Board, and a meeting of the Appeal Board shall be held within sixty (60) days upon the receipt of such notice. The original decision of CIC shall stand pending any meeting of the Appeal Board. In the meeting of the Appeal Board, both the appellant and CIC staff shall be entitled to be heard in confidence. The decision of the majority of the Appeal Board as declared by its chairperson shall be final and binding. The chairperson may exercise a casting vote and shall provide the appellant with a written statement of the appeal findings, including the reason(s) for the decision made, within twenty-one (21) days after the decision of the Appeal Board is made.
- 19.3. The chairman of the Appeal Board has sole discretion to decide the procedures applicable to the hearing of the appeal.
- 19.4. No member of the Appeal Board may have any conflict of interest in the subject of the appeal.

## **20. ALTERATIONS**

- 20.1. The T&C, the User Guide and the relevant documents may be amended and supplemented by CIC and/or the Scheme Operator(s) from time to time at its sole and absolute discretion. CIC reserves the right of final decision on any alteration. No such alterations shall affect an Applicant's right to use the SFCS Logo or claim to be certified under the SFCS unless or until it shall have been given notices in writing of such alterations by CIC and/or the Scheme Operator(s), who will notify an Applicant of the effective date by which it must comply with the altered T&C, User Guide and/or other relevant documents (as the case may be). Following the effective date of the altered T&C, User Guide and/or other relevant documents, CIC and/or the Scheme Operator(s) shall use its best efforts to verify that each Applicant has carried out any necessary adjustments, as CIC and/or the Scheme Operator(s) considers reasonable.

## **21. INVALID MATERIAL**

- 21.1. If any term in this T&C is held to be invalid, void or unenforceable, then the remainder of this T&C is not affected, impaired or invalidated; and each remaining term is valid and enforceable to the fullest extent permitted by law.

## **22. NOTICE**



22.1. Any notice given under this T&C shall be in writing and signed by or on behalf of the party giving it and may be served by leaving it or sending it by post at or to the address of the CIC, the Scheme Operator(s) and/or an Applicant's address for the time being.

## **23. WAIVER**

23.1. No failure or delay on the part of CIC and/or the Scheme Operator(s) to exercise any right or remedy under this T&C shall be construed or operated as a waiver thereof nor shall any single or partial exercise of any right or remedy preclude the further exercise of such right or remedy as the case may be. The rights and remedies provided under this T&C are cumulative and are not exclusive of any rights or remedies provided by law.

## **24. COMPLIANCE WITH LAWS**

24.1. Nothing in this T&C prevents CIC and/or the Scheme Operator(s) or the Applicant from acting in accordance with applicable laws and regulations.

## **25. GOVERNING LAW**

25.1. This T&C shall be construed in accordance with the laws of Hong Kong and shall be subject to the exclusive jurisdiction of the courts of Hong Kong.

## **26. FORCE MAJEURE**

26.1. If either party is prevented from fulfilling its obligations under this T&C by reason of any supervening event beyond its reasonable control including, without limitation, war, government intervention, national emergency, flood, earthquake, strike or lockout, the party unable to fulfil its obligations shall immediately give written notice of this to the other party and shall do everything in its power to resume full performance.

26.2. If notice is duly given pursuant to Clause 26.1 hereof, neither party shall be deemed to be in breach of its obligations under this T&C.

26.3. If and when the period of the incapacity as mentioned in Clause 26.1 hereof exceeds six (6) months, then this T&C shall automatically be terminated, and all fees paid to CIC before the expiry of the aforesaid six (6) months' period will be forfeited to CIC and no refund will be made to the Applicant in any event. No party shall have any claim of whatsoever nature against the other party thereafter in relation to such incapacity.

- End -