

HSBC Capabilities

South Korea



HSBC Network in South Korea: 1 branch

HSBC has a long history in South Korea entering the Korean market in 1897 in Jemulpo (Incheon).

HSBC is the leading provider of global banking and market services in Korea, and is one of the largest investors amongst foreign banks in Korea. HSBC Korea provides a comprehensive range of services including commercial banking, corporate, investment banking and markets and other activities.

The Bank has been awarded Best Cash Management Bank 2010-2015 (Euromoney Poll) in South Korea.

Account services

The following types of bank accounts are currently available:

| Account type | Local currency current account ¹ | Local currency savings account | Foreign currency current account ¹ | Foreign currency savings account |
|-----------------|---------------------------------------------|--------------------------------|-----------------------------------------------|----------------------------------|
| Resident | Yes | Yes | Yes | Yes |
| Non-resident | Yes | Yes | Yes | Yes |
| Credit interest | No ² | Yes | No | Yes |

1. To encourage local currency deposits, the government permits non-residents to open two types of local currency accounts under the current regulations: a non-resident free won account (Savings account (NRF) and current account (NCA)) or a non-resident won account. For non-resident free won account, non-residents are free to remit funds abroad without underlying documents, although local deposit/withdrawal/transfer is restricted. For the non-resident won account, non-residents can make local deposits/withdrawals, although remitting funds abroad is restricted.

2. Due to BOK regulations, current accounts pay no interest.

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Cash management solutions at a glance

| Investment products | Transaction management | | Liquidity management |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Payments | Collections | |
| <ul style="list-style-type: none"> Local currency/foreign currency statement savings and passbook savings Money Market Deposit Account (local currency only) Term Deposits Certificate of Deposit (local currency only) | <ul style="list-style-type: none"> Electronic Payments (high value and low value)¹ - Domestic local/foreign currency, Overseas foreign currency payment Cheque/ Cashier's orders Demand Drafts | <ul style="list-style-type: none"> HSBC Virtual Account (VA) Virtual Network Collection (multi-bank collection via HSBC Nostro account at 8 major local banks) Real time direct debit (via HSBC Nostro account at 3 major local banks) In branch service Cash/Cheque collection Promissory note warehousing and collection KFTC Direct Debit RMS (Receivable Management Solution) | <ul style="list-style-type: none"> SI & Swing (in-country for resident only) Multi Bank Sweeping (local currency with same entity only) GLS domestic/regional Interest Enhancement GLS domestic cash concentration² (LCY & FCY in single currency, in-country for resident only) GLS X-border Cash concentration (up to USD30m subject to regulatory approval) |

1. Cash management services are also delivered via HSBCnet, HSBC's global internet banking platform, HSBC Connect, HSBC's host-to-host electronic banking system, and Korea Xpress, HSBC Korea's localised high-tech internet banking platform.

2. In-country for resident only/LCY & FCY in single currency.

Membership of clearing mechanisms

| Clearing systems | Membership |
|------------------------------------------|---------------|
| High-value clearing system (BOK-Wire) | Direct member |
| Cheque Clearing System | Direct member |
| Online Funds Transfer (OFT) System | Direct member |
| Electronic Financial Information Network | Direct member |
| Cash Management System | Direct member |

Further information

For more information concerning local payment instructions, legal, taxation, regulatory, and general banking information, please refer to HSBC's Guide to Cash, Supply Chain and Treasury Management in Asia Pacific, which is available at www.hsbcnet.com.

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Payment cut-off times

| Payment type | Currency | Cut-off time |
|----------------------------|----------------------------------------|---------------------------------------------------------------------------------|
| Domestic | | |
| Local Bank Transfer (RTGS) | KRW | 23:00 through EFIN / 15:00 through BoK Wire |
| | CAD, CHF, DKK, EUR, GBP, NOK, SEK, USD | 15:00 |
| | AUD, HKD, JPY, SGD | 09:50 |
| | CNH | 10:00 |
| | NZD, THB | 15:30, D-1 |
| | SAR | 15:00, D-2 |
| Local Bank Transfer (ACH) | KRW | 15:00 for Instruction Level Authorisation 21:30 for File Level Authorisation |
| Book Transfer | All Currencies | 23:00 |
| Cross-border | | |
| Telegraphic Transfer | CAD, CHF, DKK, EUR, GBP, NOK, SEK, USD | 15:30 |
| | AUD, HKD, JPY, SGD | 11:30 |
| | CNY | 15:00 |
| | CNH | 15:00 |
| | NZD, SAR, THB | 15:30, D-1 |

Receivable cut-off times

| Collection type | Cut-off time |
|------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
| Local currency | |
| Local Bank Transfer (RTGS) | 15:00 through BOK Wire / 23:00 through EFIN |
| Local Bank Transfer (ACH) | KFTC CMS Direct Debit - Depending on service type: 10:00 (D) for CMS 1 day service or 17:00 (D-1) for CMS 3 days |
| ACH in - Initiated by Payor | If sent via KFTC CMS network, subject to KFTC schedule (D-1) |
| Book Transfer | 23:00 |
| Foreign currency | |
| FCY Bank Draft / FCY Cheque Deposit - for collection | 16:00 |
| International Wire Transfer | Within HSBC Group: 16:00 / Non HSBC: 16:00, D-1 |

Disclaimer

HSBC Disclaimer

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