

Amended Cardholder Agreement which forms part of the HSBC Bank Malaysia Berhad (“HSBC”) Universal Terms and Conditions

15 July 2019

Dear Valued Customers,

We are pleased to inform that our Cardholder Agreement which forms part of the Universal Terms and Conditions for HSBC Bank will be updated and revised as follows:

Key Changes:

Effective 5 August 2019:

Payment received will be applied towards settlement of the outstanding finance charges followed by outstanding principal balance and fees and charges.

For clarity, payment will be applied in the following order: to settle taxes, Cash Advance, monthly instalment for Credit Card Instalment Plan(s), Retail transactions, Balance Transfer from highest to the lowest interest rate and fees (annual fee and late payment fee).

Finance Charge will be imposed on the entire outstanding except Late Payment Fee and applicable taxes, which remain unpaid after the Due Date, on daily rest until it is fully settled.

Effective 2 October 2019:

Minimum Monthly Payment will include 100% monthly instalment of Credit Card Instalment Plans (if any), on top of 5% of Current Balance; or RM50, whichever is higher.

Credit Card Instalment Plan(s) refers to card instalment plan (IPP), cash instalment plan (CIP), balance conversion plan (BCP), and auto balance conversion (ABC) granted by the Bank which enables the Cardholder the convenience to pay for certain Retail Transactions credit card spend or outstanding balance on instalment basis.

Detailed amendments and the clauses impacted from the abovementioned changes are reflected in the UTC July Edition as listed below.

Amendments of the sentences are as shown in strikethrough, for deletion, and highlighted, for addition.

Products/Services	Clause No.	Clauses
b. Definitions	2 (i)	“Annual Fee” means the pre-determined annual fee payable by the Cardholder for each Credit Card and Supplementary Credit Card as stated in the Bank’s Tariff and Charges.
b. Definitions	2 (vi)	“Card Transactions” means transactions effected by the use of the Credit Card including all Retail Transactions, and of all

		Balance Transfers, Cash Advances, and Credit Card Instalment Plans granted and other instalment plans Instalment Payment Plans, and other credit plans granted and effected by the use of the Credit Card.
b. Definitions	2 (x)	“Credit Card Instalment Plan(s)” means all credit card instalment plans including but not limited to card instalment plan (IPP), cash instalment plan (CIP), balance conversion plan (BCP), and auto balance conversion (ABC) granted by the Bank which enables the Cardholder the convenience to pay for certain Retail Transactions credit card spend or outstanding balance on instalment basis, subject to the Bank’s Instalment Payment Plan respective instalment plans’ terms and conditions.
b. Definitions	2(xii)	“Current Balance” means the amount of Credit Limit utilised by the Cardholder at the Statement Date: outstanding amount which comprises of Retail Transactions (if any), Balance Transfer Amount (if any), Cash Advance amount (if any), Finance Charge (if any), applicable and Fees and charges as stated in the Bank’s Tariff and Charges amount (if any) + the Card Transaction and, prevailing service tax (if any).
b. Definitions	2 (xiii)	“Due Date” means the payment due date, as specified in the Card Statement, which the monthly payment is due.
b. Definitions	2 (xiv)	<p>“Finance Charge” means the finance charge imposed by the Bank, where the Current Statement Balance for the preceding month’s Card Statement is not settled in full by the specified Due Date:</p> <p>(a) in respect of Retail Transactions, the Finance Charge is imposed calculated on a daily rest basis on the outstanding Retail Transactions that remain unpaid after the Due Date, and is calculated on a daily rest basis from the Posting Date until payments are credited to the Card Account and thereafter on the reduced balance (if any) and at the following applicable rates:</p> <p>(i) Tier-I: 15% per annum for Cardholders who promptly settle the Minimum Monthly Payment Due as specified in the Card Statement for 12 consecutive months;</p> <p>(ii) Tier-II: 17% per annum for Cardholders who promptly settle the Minimum Monthly Payment Due as specified in the</p>

		<p>Card Statement for 10 months or more in a 12-month cycle; and</p> <p>(c) in respect of Balance Transfer and Instalment Payment Plans Credit Card Instalment Plans, the Finance Charge is calculated based on the rates applicable at the time of application for Balance Transfer or Instalment Payment Plans Credit Card Instalment Plans respectively</p> <p>(d) Payment will be applied in the following order: to settle taxes, Cash Advance, monthly installment for Credit Card Instalment Plan(s), Retail transactions, Balance Transfer from highest to the lowest interest rate and fees (annual fee and late payment fee). Payment received will be applied towards settlement of the outstanding finance charges followed by outstanding principal balance and fees and charges</p>
b. Definitions	2 (xv)	<p>“Grace Period” means a interest-free/finance charge-free period of at least 20 days from the posting date of the Retail Transactions to the Card Account, provided there is no carried forward balance in the Cardholder’s Card Account. all outstanding balances to the Card Account</p>
b. Definitions	2 (xvi)	<p>“Late Payment Fee” means fee calculated at 1% of outstanding balances of the Credit Transactions (exclude annual fees and applicable taxes if any), subject to a minimum of RM10 and a maximum of RM100.</p>
b. Definitions (Effective Date: 2 October 2019)	2 (xvii)	<p>“Minimum Monthly Payment” means a minimum monthly payment payable on the Due Date, which is equivalent to calculated based on:</p> <p>(a) 5% of Current Balance + 100% monthly instalment of Credit Card Instalment Plans (if any) + and any unpaid minimum payment specified in the preceding month's Card Statement; OR or RM50, whichever is higher; or</p> <p>(b) if the Current Balance Card Account exceeds the Credit Limit, 5% of the Current Balance and the amount in excess of the Credit Limit and the unpaid minimum payment specified in the preceding month's Card Statement. + 100% monthly instalment of Credit Card Instalment Plans (if any) + any unpaid minimum payment specified in the preceding month's Card Statement + Overlimit.</p>

b. Definitions	2 (xix)	“Overlimit” means the amount effected by the use of the Credit Card in excess of the prescribed Credit Limit.
b. Definitions	2 (xxii)	“Retail Transactions” means all purchases of goods or services charged to the Credit Card, excluding Cash Advances, Credit Card Instalment Plans, Balance Transfers, Instalment Payment Plans, other credit plans, fees and charges.
b. Definitions	2 (xxiv)	“Statement Balance” means the outstanding amount specified in the Card Statement.
c. Usage of Credit Card	5 (c)	<p>(ii) The Cardholder is required to comply with the Credit Limit for the Credit Card and;</p> <p>(1) must immediately pay the Bank for any sum used in excess of the Credit Limit (whether formally demanded or not); and Overlimit (if any) to the Bank by the Due Date, or immediately upon the Bank's request, whichever is earlier; and</p> <p>(2) remains liable for all transactions effected through the use of the Credit Card even if the aggregate outstanding balance of the Card Account exceeds the Credit Limit.</p> <p>(iii) The Bank may suspend further use of the Credit Card or Card Account until the Overlimit is settled in full.</p>
c. Usage of Credit Card	7 (b)	The Current Statement Balance specified on the Card Statement is due and payable by the Customer on the Due Date
c. Usage of Credit Card	7 (c)	The Cardholder may elect to pay less than the Current Statement Balance provided that the Cardholder makes the Minimum Monthly Payment Due on the Due Date.
c. Usage of Credit Card	7 (d)	<p>If the Cardholder pays the Bank less than the Current Balance by the Due Date, the Finance Charge shall be imposed against the Card Account.</p> <p>Where the Cardholder has more than one Credit Card and each Credit Card has its own Credit Limit, the Minimum Monthly Payment shall be applicable to each of the Credit Cards.</p>
c. Usage of Credit Card	7 (e)	Where the Cardholder has more than one Credit Card and each Credit Card has its own Credit Limit, the Minimum

		<p>Payment Due of RM50 shall be applicable to each of the Credit Cards, even if the total of 5% of the Current Balances and the unpaid minimum payment specified in the preceding month's Card Statement is less than RM50.</p> <p>If the Cardholder pays the Bank less than the Statement Balance by the Due Date as prescribed in the current month's Card Statement, Finance Charge will be imposed on all outstanding balance (except taxes (if any) and, Late Payment Fee (if any)) from posting date until full settlement.</p>
c. Usage of Credit Card	7 (f)	<p>If the Cardholder pays the Bank less than the Current Balance by the Due Date, Finance Charge will accrue on the outstanding balance of Retail Transactions that is unpaid after the Due Date immediately following the Statement Date in which the Retail Transactions are posted to the Card Account, calculated from the date of posting until any payments are credited to the Card Account and thereafter on the reduced balance.</p> <p>If the Cardholder settle the current month's Statement Balance in full on or before the Due Date, the Cardholder will enjoy Grace Period on the following month's outstanding balances.</p>
c. Usage of Credit Card	7 (g)	<p>A Late Payment Fee will be charged by the Bank if the Cardholder fails to pay the Minimum Monthly Payment Due by the Due Date. The Late Payment Fee will be charged on the day after the expiration of 43 days from the Due Date and will be specified in the following month's Card Statement.</p>
I. Effects of Termination	17 a)	<p>Subject to Clause 15, the entire outstanding balance on the Card Account and the amount of any outstanding Card Transactions effected (whether before or after the termination of this Agreement) that have yet to be posted to the Card Account including any outstanding payments/instalments not due but which the Cardholder is liable for arising from any Mail Order, Telephone Order Schemes, Instalment Payment Plan, Credit Card Instalment Plans, Balance Transfer or Standing Instructions (recurring payment) made or allegedly made by the Cardholder to a merchant establishment for the supply of goods or services to</p> <p>be charged to the Card Account (collectively, "the outstanding amounts") shall become immediately due and payable in full to the Bank. All outstanding amounts due and payable shall be</p>

		charged with a fee which shall be fixed at the sole discretion of the Bank on: termination of this Agreement; or the Cardholder's bankruptcy or death
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The Amended Terms & Conditions for HSBC Bank Malaysia Berhad ("HSBC") Universal Terms & Conditions (July 2019 Edition) is available [here](#).

