

Dual Currency Investment (Currency-Linked Structured Investment) ("Investment") (Not Protected by PIDM)

Responsibility Statement

This **Product Highlights Sheet** has been reviewed and approved by the directors or authorized committee or persons approved by the Board of HSBC Bank Malaysia Berhad (Co No 127776-V) and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, there are no false or misleading statements, or omission of other material facts which would make any statement in the Product Highlights Sheet false or misleading.

Statement of Disclaimer

The Securities Commission Malaysia has authorized the issuance of **Dual Currency Investment (Currency-Linked Structured Investments)** and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorization of the **Dual Currency Investment (Currency-Linked Structured Investments)** and lodgement of this Product Highlights Sheet should not be taken to indicate that the Securities Commission Malaysia recommends the **Dual Currency Investment (Currency-Linked Structured Investments)** or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of HSBC Bank Malaysia Berhad responsible for the **Dual Currency Investment (Currency-Linked Structured Investments)** and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

THIS IS NOT A PRINCIPAL GUARANTEED INVESTMENT, AND DEPENDING ON THE PERFORMANCE OF THE UNDERLYING, INVESTORS MAY AT MATURITY RECEIVE AN AMOUNT LESS THAN THE PRINCIPAL AMOUNT INVESTED.

WARNING

THE RETURNS ON YOUR STRUCTURED PRODUCT INVESTMENT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSET/REFERENCE, AND THE RECOVERY OF YOUR PRINCIPAL INVESTMENT MAY BE JEOPARDISED IF YOU MAKE AN EARLY REDEMPTION.

THIS INVESTMENT IS NOT INSURED BY PERBADANAN INSURANS DEPOSIT MALAYSIA.

PUBLIC



PRODUCT HIGHLIGHTS SHEET

HSBC Bank Malaysia Berhad (“the Bank”)

Read this Product Highlights Sheet before you decide to invest in the Dual Currency Investment (“Investment”). Be sure to also read the general terms and conditions.

Dual Currency Investment (Currency-Linked Structured Investments)

Non Principal Guaranteed.

This Product Highlights Sheet only highlights the key features and risks of this unlisted capital market product. Investors are advised to request, read and understand the disclosure documents before deciding to invest.

1. What is this product about? Who is this product suitable for?

This is a short-term currency linked structured investment issued by HSBC Bank Malaysia Berhad (who is also the Calculation Agent and Payment Agent). This is a structured product with an embedded derivative linked to the performance of the Base Currency in relation to the Linked Currency. The return objective of this Investment is income generation. This Investment aims to pay the Investor a fixed interest based on the possibility that at maturity, the Investor will receive back the original sum invested (plus interest) in a different currency.

Possible Outcomes

At the time of Investment, the Investor will know the indicative amount that will be received at maturity in the Base Currency and in the Linked Currency. What is not known is in which of these two currencies the Investor will be repaid. This Investment is suitable for Investors with requirements for both the Base Currency and Linked Currency, and is able to receive the Principal and Investment Return in either currency.

This structured investment is not protected by Perbadanan Insurans Deposit Malaysia. This Investment should be regarded as a hold-to-maturity investment.

2. What do I get from this product? What are the key product features?

Minimum investment amount:	MYR 50,000.00 equivalent
Investment tenure / day count convention:	Refer to the trade confirmation advice
Principal protection:	Non Principal Guaranteed
Base Currency & Size:	Investment Amount. Refer to the trade confirmation advice
Linked Currency:	Refer to the trade confirmation advice
Investment Return:	Refer to the trade confirmation advice
Investment Return Payment Frequency:	Once, at Maturity
Strike or Conversion rate:	Refer to the trade confirmation advice

THIS IS NOT A PRINCIPAL GUARANTEED INVESTMENT, AND DEPENDING ON THE PERFORMANCE OF THE UNDERLYING, INVESTORS MAY AT MATURITY RECEIVE AN AMOUNT LESS THAN THE PRINCIPAL AMOUNT INVESTED.

WARNING

THE RETURNS ON YOUR STRUCTURED PRODUCT INVESTMENT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSET/REFERENCE, AND THE RECOVERY OF YOUR PRINCIPAL INVESTMENT MAY BE JEOPARDISED IF YOU MAKE AN EARLY REDEMPTION.

THIS INVESTMENT IS NOT INSURED BY PERBADANAN INSURANS DEPOSIT MALAYSIA.

Principal + Investment Return calculation (in Base Currency):	Base Currency Investment Amount + (Base Currency Investment Amount x Investment Return (p.a.) x no. of days/day count convention)
Principal + Investment Return calculation (in Linked Currency):	Base Currency Redemption Amount / Strike or Conversion Rate
If the Base Currency trades weaker than the Linked Currency in comparison to the Strike or Conversion rate at or about the Decision Time on Decision Date (being 3pm Tokyo time on the date the Bank makes the determination, such date to be advised in the actual terms of the Investment), the Bank will pay in Base Currency.	
If the Base Currency trades equal to or strengthens against the Linked Currency in comparison to the Strike/Conversion rate at or about the Decision Time on Decision Date, the Bank will pay in Linked Currency.	
For XAU-linked trades, the Redemption Amount (if payable in XAU), will be paid into the Investor's gold account which is maintained as a GLD unit account (GLD is the proprietary value unit of the Bank for gold); please note that 1.000 XAU represents 1.000 troy ounce of gold, where 1.000 XAU = 10.00 GLD (calculated to two decimal places, after the second shall be rounded off).	
Underlying asset(s):	Currency
Illustration of past performance based on the best and worst case scenario:	Not relevant as the Investment Return is fixed at an agreed rate upfront.
Reminder: Past performance is not necessarily indicative of future performance	
3. What are the key terms and conditions of this product that I should know?	
<ul style="list-style-type: none"> Redemption at maturity – Investor will receive the Principal and Investment Return either in the Base or Linked Currency, depending on how the Base Currency trades against the Linked Currency in comparison to the Strike/Conversion rate at or about the Decision Time on Decision Date, as per the Terms and Conditions of this Investment. Early withdrawal – Due to the short dated nature of this product, the Investor is not entitled to terminate all or part of the Investment prior to the Maturity Date without the Bank's prior consent (which, if granted, may be subject to such conditions and terms as the Bank may require). Penalty for early withdrawal – There is no early withdrawal penalty (if early withdrawal is granted by the Bank); however, Investors will early redeem their Investment at the market value adjusted for the Bank's unwinding costs, if any, and this may translate to a loss on the original amount invested. Investment Return is fixed according to the conditions stipulated in the Final Term Sheet. All outstanding Dual Currency Investment will be reflected in the monthly composite statement sent to investors. However, due to the short-dated nature of the product, no valuations are published. Cooling-off period - is not applicable for this short-dated product 	
<ul style="list-style-type: none"> Eligible Investor - This Investment can only be offered to an "eligible investor" within the meaning of Schedule 6 item 13, Section 229 of the Capital Markets and Services Act 2007 (as amended from time to time), where to qualify as an "eligible investor", at least one of the following below must be true as at the investment date : <ul style="list-style-type: none"> An individual whose total net personal assets, not inclusive of the value of his or her primary residence, exceeds Three Million Ringgit (MYR3,000,000) or its equivalent in foreign currencies; OR 	

THIS IS NOT A PRINCIPAL GUARANTEED INVESTMENT, AND DEPENDING ON THE PERFORMANCE OF THE UNDERLYING, INVESTORS MAY AT MATURITY RECEIVE AN AMOUNT LESS THAN THE PRINCIPAL AMOUNT INVESTED.

WARNING

THE RETURNS ON YOUR STRUCTURED PRODUCT INVESTMENT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSET/REFERENCE, AND THE RECOVERY OF YOUR PRINCIPAL INVESTMENT MAY BE JEOPARDISED IF YOU MAKE AN EARLY REDEMPTION.

THIS INVESTMENT IS NOT INSURED BY PERBADANAN INSURANS DEPOSIT MALAYSIA.

- An individual whose total net joint assets with his or her spouse, not inclusive of the value of their primary residence, exceeds Three Million Ringgit (MYR3,000,000) or its equivalent in foreign currencies; OR
 - An individual who has a gross annual income exceeding MYR300,000 or its equivalent in foreign currencies per annum in the last 12 months; OR
 - An individual who, jointly with his or her spouse has a gross annual income exceeding MYR400,000 or its equivalent in foreign currencies per annum in the last 12 months
- Selling restrictions / tradability – not intended for distribution in the United States of America and Canada or for sales to US citizens and residents (which, for purposes of this Investment, shall include US taxpayers) and Canadian citizens and residents. This investment is (i) non-tradeable/non-assignable and (ii) non-chargeable by the Investor, except to the Bank itself. Any purported third-party rights sought to be conferred by the Investor by agreement or transfer without the prior concurrence of the Bank of any kind shall not be recognised.
- Additional terms and condition for transaction linked to Gold (XAU):
 - No physical deposit or withdrawal of Gold to or from the Gold Account is allowed.
 - No ATM/Debit card or chequebook will be issued with this Account
 - No purchase via cash is allowed. Customers are required to open/maintain an MYR current or savings account with the Bank to convert:
 - MYR to the required GLD amount to be credited to the Gold Account
 - From GLD unit to MYR
 - Customers must be 18 years old and above to open the Account
 - The Account may be operated as sole account or joint account
 - Minimum initial deposit of 10 GLD is required. All minimum subsequent deposit/withdrawal will be in multiples of 1 GLD or any amount determined by the Bank.

**Note: 1 (one) GLD unit represents 0.1 unit of XAU. XAU is the international standard currency code for 1 (one) troy ounce of gold. 1.00 (one) XAU represents 1 troy ounce of gold, which is equal to 10.00 units of GLD (calculated to two decimal places after the second shall be rounded off)*

4. What are the fees and charges I have to pay?

Management fees and other sales charges

- a) Management fees and other sales charges have already been taken into account within the investment's 'Investment Return'.
- b) Penalties for early withdrawal: there is no penalty for early withdrawal if early withdrawal is granted by the Bank. However, you may receive a sum less than your initial investment, depending on the market value of the investment at the time of withdrawal, adjusted for the Bank's unwinding costs, if any.

5. What are the risks involved?

You will be exposed to the following risks:

- Principal Risk
- Credit Risk
- Legal Risk
- Currency Risk and Return Risk
- Market Risk and Liquidity Risk

THIS IS NOT A PRINCIPAL GUARANTEED INVESTMENT, AND DEPENDING ON THE PERFORMANCE OF THE UNDERLYING, INVESTORS MAY AT MATURITY RECEIVE AN AMOUNT LESS THAN THE PRINCIPAL AMOUNT INVESTED.

WARNING

THE RETURNS ON YOUR STRUCTURED PRODUCT INVESTMENT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSET/REFERENCE, AND THE RECOVERY OF YOUR PRINCIPAL INVESTMENT MAY BE JEOPARDISED IF YOU MAKE AN EARLY REDEMPTION.

THIS INVESTMENT IS NOT INSURED BY PERBADANAN INSURANS DEPOSIT MALAYSIA.

- Operational Risk
- Early Redemption by the Investor Risk
- Early Redemption by the Bank Risk
- Options Risk
- Tax Risk
- Re-investment Risk and Settlement Risk
- Counterparty Risk
- Compound of Risks

You are advised to read this Investment's term sheets and other documents for detailed descriptions of the risks. You are also advised to carefully consider all risk factors before making an investment decision.

Important Notices: You are not covered by the compensation fund under section 152 of the Capital Markets and Services Act 2007 (CMSA). This compensation fund does not extend to you if you suffer monetary loss as a result of a defalcation, or fraudulent misuse of moneys or other property, by a director, officer, employee or representative of HSBC Bank Malaysia Berhad.

6. What do I need to do if there are changes to my contact details?

It is important that you inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner.

7. Where can I get further information?

Should you require additional information about investment, please refer to the *bankinginfo* booklet on 'Investing Your Money', available at all our branches and the www.bankinginfo.com.my website.

If you have any enquiries, please contact us at:

HSBC Bank Malaysia Berhad,
No. 2, Leboh Ampang,
50100, Kuala Lumpur
Tel: 1 300 88 9393

8. Other Investments Linked to Derivatives products available?

- NA -

9. What can I do if I have a complaint?

- If you have any feedback, enquiries or complaints, please contact HSBC at 1 300 88 0181.
- Alternatively, you may write to us at the following correspondence address:
The Manager
Customer Experience Team
HSBC Bank Malaysia Berhad,
No. 2, Leboh Ampang,
50100, Kuala Lumpur
Fax: 03-2179 1111
Email: complaints@hsbc.com.my

THIS IS NOT A PRINCIPAL GUARANTEED INVESTMENT, AND DEPENDING ON THE PERFORMANCE OF THE UNDERLYING, INVESTORS MAY AT MATURITY RECEIVE AN AMOUNT LESS THAN THE PRINCIPAL AMOUNT INVESTED.

WARNING

THE RETURNS ON YOUR STRUCTURED PRODUCT INVESTMENT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSET/REFERENCE, AND THE RECOVERY OF YOUR PRINCIPAL INVESTMENT MAY BE JEOPARDISED IF YOU MAKE AN EARLY REDEMPTION.

THIS INVESTMENT IS NOT INSURED BY PERBADANAN INSURANS DEPOSIT MALAYSIA.

- You can also contact BNM's LINK if any of your enquiries or complaints which you have raised with the Bank has not been resolved by the Bank:

The contact details:

Laman Informasi Nasihat dan Khidmat (LINK)

Tingkat Bawah, Blok D

Bank Negara Malaysia

P.O.Box 10922

50929 Kuala Lumpur

Tel: 1-300-88-5465 (LINK)

Fax: 03-2174 1515

E-mail: bnmtelelink@bnm.gov.my

The addresses of BNMLINK:

BNMLINK
Bank Negara Malaysia
Blok D, Jalan Dato' Onn
50480 Kuala Lumpur

BNMLINK
Bank Negara Malaysia
Jalan Bukit Timbalan
80000 Johor Bahru

BNMLINK
Bank Negara Malaysia
Jalan Lapan Belas
88000 Kota Kinabalu

BNMLINK
Bank Negara Malaysia
No. 27, Lebu Light
10200 Pulau Pinang

BNMLINK
Bank Negara Malaysia
Jalan Satok
93000 Kuching

BNMLINK Kuala Terengganu
Bank Negara Malaysia
Kuala Terengganu
Jalan Sultan Mohamad
21100 Kuala Terengganu

THIS IS NOT A PRINCIPAL GUARANTEED INVESTMENT, AND DEPENDING ON THE PERFORMANCE OF THE UNDERLYING, INVESTORS MAY AT MATURITY RECEIVE AN AMOUNT LESS THAN THE PRINCIPAL AMOUNT INVESTED.

WARNING

THE RETURNS ON YOUR STRUCTURED PRODUCT INVESTMENT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSET/REFERENCE, AND THE RECOVERY OF YOUR PRINCIPAL INVESTMENT MAY BE JEOPARDISED IF YOU MAKE AN EARLY REDEMPTION.

THIS INVESTMENT IS NOT INSURED BY PERBADANAN INSURANS DEPOSIT MALAYSIA.

- If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industries Dispute Resolution Corporation (SIDREC) :
 - Phone No: 03-2282 2280
 - Fax No: 03-2282 3855
 - Email: info@sidrec.com.my
 - Address : Securities Industry Dispute Resolution Center (SIDREC)
Unit A-9-1, Level 9, Tower A
Menara UOB Bangsar
No. 5, Jalan Bangsar Utama 1
59000 Kuala Lumpur
- You can also direct your complaint to the SC even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Investor Affairs & Complaints Department :
 - Phone No: 03-6204 8999
 - Fax No: 03-6204 8991
 - Email: aduan@seccom.com.my
 - Website: www.sc.com.my (via the online complaint form)
 - Address : Investor Affairs & Complaints Department
Securities Commission Malaysia
No. 3 Persiaran Bukit Kiara
Bukit Kiara
50490 Kuala Lumpur

10. Glossary

- Calculation Agent – the party responsible for performing the duties stipulated to be performed by such Calculation Agent under the terms of the Investment, which includes making determinations relating to the value of a financial component of that Investment and or adjustments to such value(s) if certain event(s) were to occur (e.g. non-availability of prices from the stipulated price source, adjustments necessitated by market disruptions, etc). The Calculation Agent is to act in good faith and in a commercially reasonable manner, and its determinations and calculations will be binding in the absence of manifest error.
- Payment Agent – the party responsible for transmitting payments, including of interest and principal from the investment taker to the investors under the terms of the Investment.
- Bank's unwinding costs – this is the amount (as shall be determined conclusively by the Bank acting in good faith) which includes any costs, expenses, liabilities or losses incurred or suffered by the Bank as a consequence of discharging the hedging or other arrangements made in the design of the Investment.

The information provided in this Product Highlights Sheet is for your information only and not to be construed as an offer document.

Issued by HSBC Bank Malaysia Berhad (127776-V)

THIS IS NOT A PRINCIPAL GUARANTEED INVESTMENT, AND DEPENDING ON THE PERFORMANCE OF THE UNDERLYING, INVESTORS MAY AT MATURITY RECEIVE AN AMOUNT LESS THAN THE PRINCIPAL AMOUNT INVESTED.

WARNING

THE RETURNS ON YOUR STRUCTURED PRODUCT INVESTMENT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSET/REFERENCE, AND THE RECOVERY OF YOUR PRINCIPAL INVESTMENT MAY BE JEOPARDISED IF YOU MAKE AN EARLY REDEMPTION.

THIS INVESTMENT IS NOT INSURED BY PERBADANAN INSURANS DEPOSIT MALAYSIA.