

HSBC BANK BALANCE CONVERSION PLAN TERMS AND CONDITIONS

1. HSBC Bank Malaysia Berhad Company No. 198401015221 (127776-V) will be referred to as “HSBC Bank”.

Eligibility

2. The Balance Conversion Plan is open to all Primary Cardholders of credit cards issued by HSBC Bank in Malaysia (“**HSBC Bank Credit Cards**”) to apply EXCEPT for:
 - i. Cardholder(s) of invalid or cancelled HSBC Bank Credit Cards and/or whose accounts are delinquent or overlimit within HSBC Bank’s definition at any time during application of the plan; and/or
 - ii. Cardholder(s) whose accounts are not in satisfactory conduct as determined by HSBC Bank; and/or
 - iii. Cardholder(s) of company and/or corporate HSBC Bank Credit Cards.

(hereinafter defined as “**Eligible Cardholder(s)**”)

Balance Conversion Plans:

3. The Balance Conversion Plan (“**BCP Plan**”) available carries separate and distinct participation criteria based on the type of BCP Plan the Eligible Cardholders apply for i.e. Type A Balance Conversion Plan (“**Type A BCP Plan**”) or Type B Balance Conversion Plan (“**Type B BCP Plan**”) as per below. All BCP Plan applications are subject to the Bank’s approval in accordance with these Terms and Conditions.

Type A and Type B BCP Plan Criteria:

4. **Type A BCP Plan** allows cardholder to convert their Single purchase and/or Multiple Purchases of Eligible Retail Transactions (defined in clause 7 below) (“**Eligible Retail Transactions**”) into monthly instalment and pay the converted amount (“**BCP Amount**”) together with the applicable interest over selected payment period of 6, 12, 24 or 36 months (“**BCP Tenure**”)
5. **Type B BCP Plan** allows cardholders to convert their Partial or Entire Outstanding of Retail Balances (defined in Clause 7 below) (“**Eligible Retail Transactions**”) into monthly instalment and pay the converted amount (“**BCP Amount**”) together with the applicable interest over a selected payment period of 6, 12, 24 or 36 months (“**BCP Tenure**”).
6. The minimum BCP Amount is RM500 and the maximum BCP Amount is RM50,000 for each BCP application, subject to the Eligible Cardholders’ Available Limit.

Eligible Retail Transactions:

7. The eligible retail transactions for BCP Plan are charged to the Eligible Cardholders’ HSBC Bank Credit Card which:-
 - i. Include local and overseas transactions, online transactions, bill payments; and
 - ii. Exclude Cash transactions, instalment payment under Balance Transfer or Cash Instalment Plan, standing Instructions, settlement of any finance charges/interest, late payment charges, credit card annual fee, and applicable tax, if any.

(hereinafter defined as “**Eligible Retail Transaction(s)**”)

Application Channel:

8. Eligible Cardholders can apply for the BCP Plan via any of the following channels:
- i. HSBC Bank branch in Malaysia; or
 - ii. HSBC Contact Centre; or
 - iii. HSBC Bank Tele marketing Team; or
 - iv. HSBC Malaysia Mobile Banking App.

BCP Plan –Interest:

9. HSBC Bank will determine and notify the Eligible Cardholder on whether the interest (“**BCP Interest**”) offered is calculated based on:-
- i. a reducing balance method as shown in Example 1 below; OR
 - ii. the method whereby one-time upfront interest is payable in the first month together with the first scheduled monthly instalment payment as per Example 2 below

Example 1 – Reducing Balance Method

BCP Amount: RM 10,000

Interest Rate: 8.88% p.a.

Tenure: 12 months

Month	Outstanding Balance (RM)	BCP Monthly Instalment (RM)	BCP Monthly Interest (RM)	BCP Monthly Principal (RM)
	10000			
1	9,226.04	907.33	133.38	773.96
2	8,441.76	907.33	123.05	784.28
3	7,647.02	907.33	112.59	794.74
4	6,841.69	907.33	101.99	805.34
5	6,025.60	907.33	91.25	816.08
6	5,198.64	907.33	80.37	826.97
7	4,360.64	907.33	69.34	838.00
8	3,511.47	907.33	58.16	849.17
9	2,650.97	907.33	46.83	860.50
10	1,779.00	907.33	35.36	871.98
11	895.39	907.33	23.73	883.61
12	0	907.33	11.94	895.39

Example 2 – One-time Upfront Interest Method

BCP Amount: RM 10,000

One-time Upfront Interest: 2.88%

Tenure: 12 months

Month	Outstanding Balance (RM)	BCP Monthly Instalment (RM)	Upfront Interest (RM)
	10,000		288
1	9,166.67	833.33	N/A
2	8,333.34	833.33	
3	7,500.01	833.33	
4	6,666.68	833.33	
5	5,833.35	833.33	
6	5,000.02	833.33	
7	4,166.69	833.33	
8	3,333.36	833.33	
9	2,500.03	833.33	
10	1,666.70	833.33	
11	833.37	833.33	
12	0	833.37	

10. An example is provided below on Type B BCP Plan.

Illustration: Type B BCP Plan

Credit Card Statement:

Transaction details:	Amount (RM)	Eligible Retail Transaction for BCP Conversion
(a) Existing Balance Conversion Plan (BCP) – 2 nd Instalment	RM 600	No
(b) Petrol	RM 80	Yes
(c) Dining	RM 500	Yes
(d) Fashion	RM 2,000	Yes
(e) Existing 12 Month Card Instalment Plan – 5 th Instalment	RM 488	No
(f) Finance Charges	RM 38.50	No
Total Statement Balance	RM 3,706.50	

- i. The Eligible Retail Transactions are (b), (c), (d),
- ii. Eligible Cardholders have following options for Type B BCP Plan:

Option 1 (Convert entire statement balance):

Convert entire b, c, d amount (RM 80 + RM 500 + RM 2,000) = RM 2,580

Option 2 (Convert a partial of the statement balance):

Convert partial amount - any amount between RM 500 up to RM 2,580.

BCP Plan Monthly Instalment & Minimum Monthly Payment

11. During the BCP Tenure, the BCP Amount will be billed to the Eligible Cardholder by way of monthly instalments (“**BCP Monthly Instalment**”).

12. Eligible Cardholders shall be liable for all BCP Monthly Instalments upon HSBC Bank's approval of the BCP Plan application.
13. **The Eligible Cardholder shall pay 100% of the BCP Monthly Instalment which forms part of the Minimum Monthly Payment due on or before the payment due date stated in the HSBC Bank Credit Card statement. Failure to pay by the payment due date will result in applicable tiered Finance Charge and Late Payment Fee to be levied on the HSBC Bank Credit Card account in accordance with the Universal Terms and Conditions ("UTCs"), Cardholder Agreement and HSBC Bank's Tariff and Charges.**
14. All monies owing under the BCP Plan, comprising of the billed and outstanding BCP Monthly Instalments and total unbilled principal BCP Amount(s) shall immediately become due and payable by the Eligible Cardholder and be charged to the Eligible Cardholder's HSBC Bank Credit Card account if:
 - i. The Eligible Cardholder defaults in any of his/her obligations stated in this Terms and Conditions or the Universal Terms & Conditions; or
 - ii. Default in the payment of the BCP Monthly Instalment; or
 - iii. The BCP Plan is cancelled or terminated; or
 - iv. The Credit Card account is in default for over 90 days, or is cancelled or terminated; and the applicable tiered Finance Charge (as provided in the Bank's Tariff and Charges) shall be levied on the said BCP Plan.

Cancellation and Early Termination

15. The Eligible Cardholder shall give HSBC Bank prior notice on his/her intention to perform early settlement of the BCP Plan by calling HSBC Bank's Contact Centre if the Eligible Cardholder wishes to opt for an early settlement of the BCP Plan. Where no prior notice is provided to HSBC Bank, the Eligible Cardholder shall remain liable for the BCP Monthly Instalment which includes the BCP Interest as billed and charged to the Eligible Cardholder's account notwithstanding that full payment is made to the Credit Card account.
16. Once the early settlement request is processed by HSBC Bank, the total unbilled principal BCP Amount and any charged interest shall immediately become due and payable by the Eligible Cardholder as an outstanding amount in the Eligible Cardholder's Credit Card account.

Rewards, Cash Back, AirMiles:

17. BCP Amount and BCP Monthly Instalment will not be eligible for any HSBC Bank rewards points, cash back or air miles.

Other Terms And Conditions

18. The Eligible Cardholder may apply for more than one BCP Plan, subject to the Eligible Cardholder meeting the qualifying conditions of the BCP in accordance with the terms and conditions herein and subject to HSBC Bank's approval.
19. HSBC Bank reserves the right to:
 - i. Approve the BCP Amount applied for within 3 days from the BCP Plan application date; or
 - ii. Approve the BCP Plan at a lower amount from what was applied for therein without further notification to the Eligible Cardholder at the time of approval. However, HSBC Bank will subsequently notify the Eligible Cardholder via SMS of the Partial BCP Amount approved at a lower amount and the BCP Monthly Instalment; or

- iii. Decline the BCP Plan application, as HSBC Bank deems fit. HSBC Bank is not obliged to assign any reason to the Eligible Cardholder in respect of the exercise of its discretion pursuant to this clause.
- 20. The approved BCP Amount at the time of processing the respective BCP Plan Application (including all unbilled principal balances in the HSBC Bank Credit Card account) must not exceed the available credit card limit of the HSBC Bank Credit Card ("**Available Limit**") of the Eligible Cardholder.
 - 21. Upon acceptance and confirmation of the BCP Plan application, the Eligible Cardholder will not be able to change/alter the BCP Tenure, BCP Amount/ Partial and/or Entire BCP Amount (whichever applicable) and/or the BCP Monthly Instalment once the BCP Plan Application is approved.
 - 22. Once the BCP Plan Application has been approved, the Eligible Cardholder will receive a notification based on latest contact details maintained in HSBC's record on the approved BCP Amount.
 - 23. HSBC Bank reserves the right at any time to withdraw the Bank's approval for a BCP Plan application, vary the approved BCP Amount, vary interest rate, or, defer or cancel the transfer of the approved BCP Amount in any of the following circumstances with reasonable notice to the Eligible Cardholder:
 - i. HSBC Bank makes a discovery or finding on the Eligible Cardholder which HSBC Bank determines is unacceptable and/or materially affect the Eligible Cardholder's ability to perform his/her obligations; or
 - ii. the BCP Amount does not meet the minimum prescribed amount; or
 - iii. the Eligible Cardholder's Credit Card account has insufficient Credit Limit; or
 - iv. due to unforeseeable circumstances which are beyond HSBC Bank's control; or
 - v. where the transfer of approved BCP Amount cannot be effected due to security reasons.

GENERAL TERMS AND CONDITIONS

- 24. The Eligible Cardholder acknowledges that the payments made by him/her to his/her HSBC Bank Credit Card account will be applied in accordance with the payment hierarchy in the Cardholder Agreement.
- 25. HSBC Bank reserves the right to vary, delete or add to any of these Terms and Conditions with 3 days' prior notice. These Terms and Conditions, as the same may be amended from time to time, shall prevail over any provisions or representations contained in any other promotional materials advertising the BCP Plan.
- 26. All other terms and condition appearing in HSBC Bank's UTC of which the Cardholder Agreement is part of, and as may stipulated from time to time by HSBC Bank, shall apply. In the event of inconsistency between these Terms and Conditions, the UTCs and the Cardholder Agreements, these Terms and Conditions shall prevail in so far as they apply to this BCP Plan.
- 27. HSBC Bank reserves the right to cancel, terminate or suspend the BCP Plan with 3 day's prior notice. For the avoidance of doubt, cancellation, termination or suspension by HSBC Bank of the BCP Plan shall not entitle the Eligible Cardholders to any claim or compensation against HSBC Bank for any all losses or damages suffered or incurred by the Eligible Cardholders as a direct or indirect result of the act of cancellation, termination or suspension.
- 28. HSBC Bank's decision on all matters relating to this BCP Plan is final and binding.