



**HSBC Amanah Fusion (Retail Business Banking)
Amended Terms of Additional Deferment Programme 2 for HSBC Amanah Fusion (Retail Business Banking - Microenterprises or SMEs that have been affected by the COVID-19 pandemic) Customers (“Additional Deferment 2.2”)**

This Terms and Conditions is first published on 23 November 2020 (version 1), updated on 10 June 2021 (version 2), and last updated on 7 July 2021 (version 3).

1. Effective 7 July 2021, these terms apply to all applications for the Additional Deferment 2.2 and are applicable to our existing Retail Business Banking Financing customers fall within Category 1, Category 2 or Category 3 as defined below:
 - (i) Category 1
Microenterprises (as defined in the Guidelines on SME Definition issued by SME Corporation Malaysia). This includes business entities across all sectors with:
 - Sales turnover of less than RM300,000; or
 - Less than 5 full time employees;

Or
 - (ii) Category 2
Small and medium enterprises (SMEs) that have been affected by the COVID-19 pandemic.
 - For the manufacturing sector, SMEs are defined as business entities with sales turnover of less than RM50 million; or less than 200 full-time employees.
 - For the services and other sectors, SMEs are defined as business entities with sales turnover of less than RM20 million; or less than 75 full-time employees.

Or
 - (iii) Category 3
Existing Category 1 or Category 2 customers who are currently on any temporary financial relief or financial assistance programme with us;

AND meet the following requirements:
 - (i) The Retail Business Banking customer’s financing is not in arrears for more than 90 days at the time it submits for Additional Deferment 2.2; and
 - (ii) The Retail Business Banking customer is not under winding up proceedings.
2. Generally, for eligible Retail Business Banking Financing customers (as defined in Cl.1 above) who:
 - (i) did not apply for any financial assistance or targeted repayment assistance with us previously; or
 - (ii) is now applying for additional deferment under Additional Deferment 2.2 after the expiry of their financial assistance or targeted repayment assistance with us, the Additional Deferment 2.2 will be for a period of six (6) months and will commence in the following month after we have approved your application.
3. On exceptionally case basis, we may approve and you will be notified on:
 - (i) a longer deferment period (including extended deferment period), and/or
 - (ii) the commencement of the Additional Deferment 2.2 to begin in the same month as we received your application.

4. If you are currently on:
 - (i) a payment reduction programme with us and you apply for additional deferment under Additional Deferment 2.2, then the existing payment reduction programme with us will be cancelled prior to the Additional Deferment 2.2 taking effect; or
 - (ii) an additional deferment programme with us and you apply for additional deferment under Additional Deferment 2.2 before the expiry of your existing programme, once approved, your additional deferment period will be extended by 3 additional months beginning immediately after the expiry of your existing additional deferment programme.

The treatment of accrued profit (if any) and extension of facility tenure pursuant to these existing programmes up to the date of its cancellation or expiration (as the case may be) will follow Clauses 7 and 8 below.

5. If you have any overdue amount in arrears, the principal portion of the overdue amount will be capitalized and added to the principal balance of your facility at the commencement of the Additional Deferment 2.2. The lease rental portion of the overdue amount will be accrued and Clause 7 applies. For the avoidance of doubt, there is no compounding of lease rental during the process. No late payment charges will be imposed during Additional Deferment 2.2 Period.
6. During the period referred to in Clauses 2,3 and 4 above, ("**Additional Deferment 2.2 Period**"), you do not need to pay any monthly instalment (consisting of principal and/or lease rental) under your financing account(s). However, lease rental will continue to accrue on your outstanding balance. We will not compound any lease rental accrued during this Deferment Period and this accrued lease rental will not be considered as overdue lease rental.
7. Your monthly instalment will resume in the month immediately after the end of the Additional Deferment 2.2 Period and the monthly instalment will be allocated towards principal reduction and monthly lease rental of your existing account ("First Account") as usual.

Your accrued lease rental, which includes all lease rental accrued during the initial Deferment Period, Financial Assistance Period and Additional Deferment 2.2 Period will be segregated to a new second account ("Second Account") which requires separate instalment payments and will commence at a later date. You will receive notification letter from us on the details.

By having a separate First Account and Second Account, this will help reduce total amount payable for your facility as principal reduction in the First Account starts immediately after the end of the Additional Deferment 2.2 Period when you resume paying your full monthly instalment.

8. Your facility tenure will be extended in tandem with the Additional Deferment 2.2 Period granted. This is in addition to any tenure extension pursuant to the previous deferment, temporary financial relief or financial assistance programme you have participated in with us.
9. As a result of the Additional Deferment 2.2, your revised monthly instalment, final monthly instalment and overall payments will likely be higher by the end of your facility tenure.
10. We will notify you of the revised monthly instalment (if applicable) for your First Account and details of your Second Account to be paid after the end of Additional Deferment 2.2.
11. You agree to provide supporting information and documents to verify your eligibility at any time upon our request. We reserve the right to terminate the Additional Deferment 2.2 immediately if at any time we found or have reasonable grounds to believe that you have made false, misleading and/or incomplete representation leading to the successful application of the Additional Deferment 2.2. The consequence of such termination may include reversing any or all benefits you enjoyed from the Additional Deferment 2.2. For example, the amount that would otherwise be due during the Additional Deferment 2.2 will become immediately due and payable in whole upon termination, and no tenure extension will apply.
12. We may change these terms and conditions including treatment of your monthly instalment if necessary to do so due to reasons such as changes in law or regulations, increased costs of offering this programme, or changes to our business, technology, services and facilities we use. We do not

know all the reasons why a change may be needed in the future, but if we do make the change(s) for any reasons, we will make sure that the change(s) are reasonable and promptly notified to you.

13. If you wish to withdraw from the Additional Deferment 2.2, you will need to resume your monthly instalment immediately after the cancellation. You are also required to pay the full amount due after you have withdrawn from the Additional Deferment 2.2, failing which the amount in arrears will incur late payment charges and there will be negative implications to your CCRIS record.
14. These terms and conditions for Additional Deferment 2.2 are in addition to:
 - (i) the terms and conditions of your Facility Offer Letter, Facility Agreement and your security documents; and
 - (ii) the Generic Terms & Conditions and the Specific Terms & Conditions for HSBC Amanah Fusion in our Universal Terms & Conditions available at <https://cdn.hsbcamanah.com.my/content/dam/hsbc/hbms/documents/universal-bank/2021-april-terms-and-conditions.pdf>.

In the event of inconsistency between these terms and conditions for Additional Deferment 2.2 and any of the above, these terms and conditions for Additional Deferment 2.2 shall prevail in so far as they apply to this Additional Deferment 2.2.

Please also refer to our [Frequently Asked Questions](#).



**HSBC Amanah Fusion (Retail Business Banking)
Amended Terms of the Payment Reduction Programme 2 for HSBC Amanah Fusion (Retail Business Banking- Microenterprises or SMEs that have been affected by the COVID-19 pandemic) Customers (“Payment Reduction 2.2”)**

This Terms and Conditions is first published on 23 November 2020 (version1), updated on 10 June 2021 (version 2) and last updated on 7 July 2021 (version 3).

1. Effective 7 July 2021, these terms apply to all applications for the Payment Reduction 2.2 and are applicable to our existing Retail Business Banking Financing customers fall within Category 1 or Category 2 or Category 3 as defined below:

(i) Category 1

Microenterprises (as defined in the Guidelines on SME Definition issued by SME Corporation Malaysia). This includes business entities across all sectors with:

- Sales turnover of less than RM300,000; or
- Less than 5 full time employees;

Or

(ii) Category 2

Small and medium enterprises (SMEs) that have been affected by the COVID-19 pandemic.

- For the manufacturing sector, SMEs are defined as business entities with sales turnover of less than RM50 million; or less than 200 full-time employees.
- For the services and other sectors, SMEs are defined as business entities with sales turnover of less than RM20 million; or less than 75 full-time employees.

Or

(iii) Category 3

Existing Category 1 or Category 2 customers who are currently on any temporary financial relief or financial assistance programme with us.

AND meet the following requirements:

- (i) The Retail Business Banking customer’s financing is not in arrears for more than 90 days at the time it submits for Payment Reduction 2.2; and
- (ii) The Retail Business Banking customer is not under winding up proceedings.

2. If you are currently on:

- (i) an additional deferment programme with us and you apply for payment reduction under Payment Reduction 2.2, then the existing additional deferment programme with us will be cancelled prior to the Payment Reduction 2.2 taking effect; or
- (ii) a payment reduction programme with us and you apply for payment reduction under Payment Reduction 2.2 before the expiry of your existing programme, once approved, your Payment Reduction 2.2 Period will begin after your existing payment reduction programme period ends, the treatment of accrued lease rental (if any) and extension of facility tenure pursuant to these programmes up to the date of cancellation will follow Clause 5 and 6 below respectively.

3. If you have any overdue amount in arrears, the principal portion of the overdue amount will be capitalized and added to the principal balance of your facility at the commencement of the Payment Reduction 2.2. The lease rental portion of the overdue amount will be accrued and Clause 5 applies. For the avoidance of doubt, there is no compounding of lease rental during the process. No late payment charges will be imposed during Payment Reduction 2.2 Period.
4. During the Payment Reduction 2.2 (as defined herein), you will pay a 50% reduction in monthly instalment (consists of purchase price and lease rental) for a period of 6 months unless extended (which you will be notified) ("**Payment Reduction 2.2 Period**"), the amount of which will be made known to you upon your successful application. The difference in respect of the lease rental amount between the original monthly instalment and the revised monthly instalment will be accrued but will not be compounded. In addition, the accrued lease rental will not be considered as overdue lease rental.
5. Your monthly instalment will resume in the month immediately after the end of the Payment Reduction 2.2 Period and the monthly instalment will be allocated towards principal reduction and monthly lease rental of your existing account ("First Account") as usual.

Your accrued lease rental, which includes all lease rental accrued during the initial Deferment Period, Financial Assistance Period and Payment Reduction 2.2 Period will be segregated to a new second account ("Second Account") which requires separate instalment payments and will commence at a later date. You will receive notification letter from us on the details.

By having a separate First Account and Second Account, this will help reduce total amount payable for your facility as principal reduction in the First Account starts immediately after the end of the Payment Reduction 2.2 Period when you resume paying your full monthly instalment.

6. Your facility tenure will be extended by 6 months. This is in addition to any tenure extension pursuant to a previous deferment or any temporary financial relief programme or financial assistance programme.
7. As a result of the Payment Reduction 2.2, your revised monthly instalment, final monthly instalment and overall payments after the Payment Reduction 2.2 will likely be higher by the end of your facility tenure.
8. You will continue to pay your full monthly instalment amount after the expiration of the Payment Reduction 2.2 Period. We will notify you at a later date of your revised monthly instalments to be paid after the Payment Reduction 2.2 Period.
9. You agree to provide supporting information and documents to verify your eligibility at any time upon our request. We reserve the right to terminate the Payment Reduction 2.2 immediately if at any time we found or have reasonable grounds to believe that you have made false, misleading and/or incomplete representation leading to the successful application of the Payment Reduction 2.2. The consequence of such termination may include reversing any or all benefits you enjoyed from the Payment Reduction 2.2. For example, the amount that would otherwise be due during the Payment Reduction 2.2 period will become immediately due and payable in whole upon termination, and no tenure extension will apply.
10. We may change these terms and conditions including treatment of your monthly payment if necessary to do so due to reasons such as changes in law or regulations, increased costs of offering this programme, or changes to our business, technology, services and facilities we use. We do not know all the reasons why a change may be needed in the future, but if we do make the change(s) for any reasons, we will make sure that the change(s) are reasonable and promptly notified to you.
11. If you wish to withdraw from the Payment Reduction 2.2, you will need to resume the monthly instalment immediately after the cancellation. You are also required to pay the full amount due after you have withdrawn from Payment Reduction 2.2, failing which the amount in arrears will incur late payment charges and there will be negative implications to your CCRIS record.
12. These terms and conditions for Payment Reduction 2.2 are in addition to:

- (i) the terms and conditions of your Facility Offer Letter, Facility Agreement and your security documents; and
- (ii) the Generic Terms & Conditions and the Specific Terms & Conditions for HSBC Amanah Fusion in our Universal Terms & Conditions available at <https://cdn.hsbcamanah.com.my/content/dam/hsbc/hbms/documents/universal-bank/2021-april-terms-and-conditions.pdf>.

In the event of inconsistency between these terms and conditions for Payment Reduction 2.2 and any of the above, these terms and conditions for Payment Reduction 2.2 shall prevail in so far as they apply to this Payment Reduction 2.2.

Please also refer to our [Frequently Asked Questions](#).