



Notification of Amendment to the **Terms of the Additional Deferment 2 (“Additional Deferment 2.1”) for HSBC Fusion (Retail Business Banking)**

We are making changes to the terms and conditions following speech by the Prime Minister on 31 May 2021.

Area of Change	Original (Additional Deferment 2)	Revised (Additional Deferment 2.1)
<p>Extension of Additional Deferment 2.1 to Category 2 and Category 3 and the eligibility requirements</p>	<p>1. The Additional Deferment 2 is open for application from 23 November 2020 until 30 June 2021 for microenterprises with facility approved value up to RM150,000 and is defined as a microenterprise according to the Guidelines on SME Definition issued by SME Corporation Malaysia. This includes business entities across all sectors with:</p> <ul style="list-style-type: none"> <li>▪ Sales turnover of less than RM300,000; or</li> <li>▪ Less than 5 full time employees</li> </ul>	<p><b>1. These terms apply to all applications for Additional Deferment 2.1 and are applicable to existing Retail Business Banking Loan/Financing customers that fall within Category 1, Category 2 or Category 3 as defined below:</b></p> <p><b>(i) Category 1 (effective from 23 November 2020)</b>  Microenterprises with facility approved value up to RM150,000 and is defined as a microenterprise according to the Guidelines on SME Definition issued by SME Corporation Malaysia. This includes business entities across all sectors with:</p> <ul style="list-style-type: none"> <li>▪ Sales turnover of less than RM300,000; or</li> <li>▪ Less than 5 full time employees;</li> </ul> <p><b>Or</b></p> <p><b>(ii) Category 2 (effective from 1 June 2021) SMEs or Microenterprises that are not allowed to operate during the Full Movement Control Order (locked-down sectors as defined by Majlis Keselamatan Negara).</b></p>

		<ul style="list-style-type: none"> <li>▪ 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.</li> <li>▪ 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.</li> </ul> <p style="text-align: center;">Or</p> <p><b>(iii) Category 3</b> Existing Category 1 or Category 2 customers who are currently on any temporary financial relief or financial assistance programme with us;</p> <p><b>AND meet the following requirements:</b></p> <p><b>(i) The Retail Business Banking customer's loan/financing is not in arrears for more than 90 days at the time it submits for Additional Deferment 2.1 or Payment Reduction 2.1; and</b></p> <p><b>(ii) The Retail Business Banking customer is not under winding up or bankruptcy proceedings.</b></p>
Remove Clause 2 as this point had covered under Additional Deferment 2.1 Clause 1.	2. These terms apply to HSBC Fusion customers that successfully apply for deferment under this Additional Deferment 2.	N/A
Amendment to Clause 3	3. Generally, the Additional Deferment 2 is for a period of three (3) months and will commence in the following month after we received your application	2. Generally, the Additional Deferment 2.1 is for a period of three (3) months and will commence in the following month after we have <b>approved</b> your application.

<p>A longer deferment period includes extension of Additional Deferment 2.1 for eligible customers</p>	<p>4. On exceptional case basis, we may approve and you will be notified on:</p> <ul style="list-style-type: none"> <li>(i) a longer deferment period, and/or</li> <li>(ii) the commencement of the Additional Deferment 2 to begin in the same month as we received your application.</li> </ul>	<p>3. On exceptional case basis, we may approve and you will be notified on:</p> <ul style="list-style-type: none"> <li>(i) a longer deferment period (<b>including extended deferment period</b>); and/or</li> <li>(ii) the commencement of the Additional Deferment 2.1 to begin in the same month as we received your application.</li> </ul>
<p>Clarification on when customers switch from a different programme to Additional Deferment 2.1 and extension of existing Additional Deferment</p>	<p>5. If you are currently on any other temporary financial relief programme or financial assistance programme with us, the existing financial relief programme or financial assistance programme will be cancelled prior to the Additional Deferment 2 taking effect. The capitalization of accrued interest (if any) and extension of facility tenure pursuant to these programmes up to the date of cancellation will follow Clauses 7 and 8 below.</p>	<p>4. (i) If you are currently on a <b>payment reduction programme with us and you apply for additional deferment under Additional Deferment 2.1, then the existing payment reduction programme with us</b> will be cancelled prior to the Additional Deferment 2.1 taking effect.  (ii) <b>If you are currently on an additional deferment programme with us and you apply for additional deferment under Additional Deferment 2.1 before the expiry of your existing programme, once approved, your Additional Deferment 2.1 will begin after your existing additional deferment programme period ends.</b>  (iii) The capitalization of accrued interest (if any) and extension of facility tenure pursuant to these existing programmes up to the date of its cancellation <b>or expiration (as the case may be)</b> will follow Clauses 7 and 8 below.</p>
<p>How interest accrued will be treated at the end of the Additional Deferment 2.1 Period, extension of existing Additional Deferment and when customers switch from a different programme</p>	<p>8. At the end of the Additional Deferment 2 Period, all accrued interest will be capitalized and added to the outstanding balance of your facility. If applicable, the capitalization of accrued interest includes accrued interest pursuant to a previous deferment or any temporary financial relief programme or financial assistance programme.</p>	<p>7. At the end of the Additional Deferment 2.1 Period, all accrued interest will be capitalized and added to the outstanding balance of your facility. If applicable <b>and if you continue with Additional Deferment 2.1 immediately after your existing additional deferment programme with us expires, capitalization of accrued interest includes accrued interest pursuant to the said existing additional deferment programme. If you are coming from a programme other than additional deferment and you apply for</b></p>

		<b>Additional Deferment 2.1, then all accrued interest under the said programme will be capitalized before Additional Deferment 2.1 takes effect.</b>
Amendment to Clause 11 (under Additional Deferment 2)	11. We will notify you of your revised monthly instalments to be paid after the end of the Additional Deferment 2 before the end of the end of the Additional Deferment 2 Period.	10. We will notify you of your revised monthly instalments to be paid after the end of the Additional Deferment 2.1 before the <b>end of the</b> Additional Deferment 2.1 Period.
Clause on validation purpose - New addition on the supporting information and documents upon request	12. We reserve the right to terminate the Additional Deferment 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. The consequence of such termination may include reversing any or all benefits you enjoyed from the Additional Deferment 2. For example, the amount that would otherwise be due during the deferment period will become immediately due and payable in whole upon termination, and no tenure extension will apply.	11. <b>You agree to provide supporting information and documents to verify your eligibility at any time upon our request.</b> We reserve the right to terminate the Additional Deferment 2.1 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 2.1. The consequence of such termination may include reversing any or all benefits you enjoyed from the Additional Deferment 2.1. For example, the amount that would otherwise be due during the deferment period will become immediately due and payable in whole upon termination, and no tenure extension will apply.
Changes to Generic Terms & Conditions and the Specific Terms & Conditions for HSBC Fusion	15. These terms and conditions for Additional Deferment 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 and Specific Terms and Conditions for Commercial Banking available at <a href="https://www.business.hsbc.com.my/">https://www.business.hsbc.com.my/</a>	14. These terms and conditions for Additional Deferment 2.1 are in addition to: (i) the terms and conditions of your Facility Offer Letter, Facility Agreement and your security documents; and (ii) the <b>Generic Terms &amp; Conditions and the Specific Terms &amp; Conditions for HSBC Fusion in our Universal Terms &amp; Conditions</b> available at <a href="https://cdn.hsbc.com.my/content/dam/hs">https://cdn.hsbc.com.my/content/dam/hs</a>

	<p><a href="en-gb/my/generic/banking-terms-and-conditions">en-gb/my/generic/banking-terms-and-conditions</a>.</p> <p>In the event of inconsistency between these terms and conditions for Additional Deferment 2 and any of the above, these terms and conditions for Additional Deferment 2 shall prevail in so far as they apply to this Additional Deferment 2.</p>	<p><a href="bc/my/docs/universal-bank/2021-april-terms-and-conditions.pdf">bc/my/docs/universal-bank/2021-april-terms-and-conditions.pdf</a></p> <p>In the event of inconsistency between these terms and conditions for Additional Deferment 2.1 and any of the above, these terms and conditions for Additional Deferment 2.1 shall prevail in so far as they apply to this Additional Deferment 2.1.</p>
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Notification of Amendment to the **Terms of the Payment Reduction 2 (“Payment Reduction 2.1”) for HSBC Fusion (Retail Business Banking)**

We are making changes to the terms and conditions following speech by the Prime Minister on 31 May 2021.

Area of Change	Original (Payment Reduction 2)	Revised (Payment Reduction 2.1)
<p>Extension of Payment Reduction 2.1 to Category 2 and Category 3 and the eligibility requirements</p>	<p>1. The Payment Reduction 2 is open for application from 23 November 2020 until 30 June 2021 for microenterprises with facility approved value up to RM150,000 and is defined as a microenterprise according to the Guidelines on SME Definition issued by SME Corporation Malaysia. This includes business entities across all sectors with:</p> <ul style="list-style-type: none"> <li>▪ Sales turnover of less than RM300,000; or</li> <li>▪ Less than 5 full time employees</li> </ul>	<p><b>1. These terms apply to all applications for Payment Reduction 2.1 and are applicable to existing Retail Business Banking Loan/Financing customers that fall within Category 1, Category 2 or Category 3 as defined below:</b></p> <p><b>(i) Category 1 (effective from 23 November 2020)</b> Microenterprises with facility approved value up to RM150,000 and is defined as a microenterprise according to the Guidelines on SME Definition issued by SME Corporation Malaysia. This includes business entities across all sectors with:</p> <p>Sales turnover of less than RM300,000; or Less than 5 full time employees;</p> <p><b>Or</b></p> <p><b>(ii) Category 2 (effective from 1 June 2021)</b> <b>SMEs or Microenterprises that are not allowed to operate during the Full Movement Control Order (locked-down sectors as defined by Majlis Keselamatan Negara).</b></p> <p><b>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.</b></p>

		<p><b>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.</b></p> <p><b>Or</b></p> <p><b>(iii) Category 3</b>  <b>Existing Category 1 or Category 2 customers who are currently on any temporary financial relief or financial assistance programme with us;</b></p> <p><b>AND meet the following requirements:</b></p> <p><b>(i) The Retail Business Banking customer's loan/financing is not in arrears for more than 90 days at the time it submits for Additional Deferment 2.1 or Payment Reduction 2.1; and</b></p> <p><b>(ii) The Retail Business Banking customer is not under winding up or bankruptcy proceedings.</b></p>
<p>Extension of programme for eligible customer on existing temporary financial relief or financial assistance programme</p>	<p>2. These terms apply to all HSBC Fusion customers that successfully applies for Payment Reduction 2. During Payment Reduction 2, you will pay a lower monthly instalment (consisting of principal and interest) for a period of 6 months, the amount of which will be made known to you upon your successful application. The difference in respect of the interest amount between the original monthly instalment and the revised monthly instalment will be accrued but will not be compounded. In addition, the accrued interest will not be considered as overdue interest.</p>	<p>2. During the Payment Reduction 2.1 Period (<b>as defined herein</b>), you will pay a lower monthly instalment (consisting of principal and interest) for a period of 6 months <b>unless extended (which you will be notified)</b> ("Payment Reduction 2.1 Period"), the amount of which will be made known to you upon your successful application. The difference in respect of the interest amount between the original monthly instalment and the revised monthly instalment will be accrued but will not be compounded. In addition, the accrued interest will not be considered as overdue interest.</p>

<p>Clarification on when customers switch from a different programme to Payment Reduction 2.1 and extension of existing Payment Reduction</p>	<p>3. If you are currently on any other temporary financial relief programme or financial assistance programme with us, the existing financial relief or financial assistance programme will be cancelled prior to the Payment Reduction 2 taking effect. The capitalization of accrued interest (if any) and extension of facility tenure pursuant to these programmes up to the date of cancellation will follow Clauses 4 and 6 below respectively.</p>	<p>3. (i) If you are currently on <b>an additional deferment programme with us and you apply for payment reduction under Payment Reduction 2.1, then the existing additional deferment programme with us will be cancelled prior to the Payment Reduction 2.1 taking effect</b>  (ii) <b>If you are currently on a payment reduction programme with us and you apply for payment reduction under Payment Reduction 2.1 before the expiry of your existing programme, once approved, your Payment Reduction 2.1 Period will begin after your existing payment reduction programme period ends</b>  (iii) The capitalization of accrued interest (if any) and extension of facility tenure pursuant to these existing programmes up to the date of its cancellation or expiration (as the case maybe) will follow <b>Clauses 4, 5 and 6</b> below respectively.</p>
<p>How interest accrued will be treated at the end of the Payment Reduction 2.1 Period, extension of existing Payment Reduction and when customers switch from a different programme</p>	<p>5. At the end of the Payment Reduction 2.1 Period, all accrued interest will be capitalized and added into the principal balance of your facility.</p>	<p>5. At the end of the Payment Reduction 2.1 Period, all accrued interest will be capitalized and added to the outstanding balance of your facility. If applicable <b>and if you continue with Payment Reduction 2.1 immediately after your existing payment reduction programme with us expires, capitalization of accrued interest includes accrued interest pursuant to the said existing payment reduction programme. If you are coming from a programme other than additional deferment and you apply for Additional Deferment 2.1, then all accrued interest under the said programme will be capitalized before Additional Deferment 2.1 takes effect.</b></p>
<p>Facility tenure will be extended in tandem with the Payment Reduction 2.1 Period granted</p>	<p>6. Your facility tenure will be extended by 6 months. This is in addition to any tenure extension pursuant to a previous deferment, temporary financial relief programme or</p>	<p>6. Your facility tenure will be extended by the <b>same period as the Payment Reduction 2.1 Period.</b> This is in addition to any tenure extension pursuant to a previous deferment, temporary</p>



	financial assistance that you may have participated in	financial relief programme or financial assistance that you may have participated in with us.
Clause on validation purpose - New addition on the supporting information and documents upon request	9. We reserve the right to terminate the Payment Reduction 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. The consequence of such termination may include reversing any or all benefits you enjoyed from the Payment Reduction 2. For example, the amount that would otherwise be due during the Payment Reduction 2 period will become immediately due and payable in whole upon termination, and no tenure extension will apply.	9. <b>You agree to provide supporting information and documents to verify your eligibility at any time upon our request.</b> We reserve the right to terminate the Payment Reduction 2.1 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 2.1. The consequence of such termination may include reversing any or all benefits you enjoyed from the Payment Reduction 2.1. For example, the amount that would otherwise be due during the Payment Reduction 2.1 Period will become immediately due and payable in whole upon termination, and no tenure extension will apply.
Changes to Generic Terms & Conditions and the Specific Terms & Conditions for HSBC Fusion	12. These terms and conditions for Payment Reduction 2 are in addition to: <ul style="list-style-type: none"> <li>(i) the terms and conditions of your Facility Offer Letter, Facility Agreement and your security documents; and</li> <li>(ii) the Generic and Specific Terms and Conditions for Commercial Banking available at <a href="https://www.business.hsbc.com.my/en-gb/my/generic/banking-terms-and-conditions">https://www.business.hsbc.com.my/en-gb/my/generic/banking-terms-and-conditions</a>.</li> </ul> <p>In the event of inconsistency between these terms and conditions for Payment Reduction 2 and any of the above, these terms and conditions for Payment Reduction 2</p>	12. These terms and conditions for Payment Reduction 2.1 are in addition to: <ul style="list-style-type: none"> <li>(i) the terms and conditions of your Facility Offer Letter, Facility Agreement and your security documents; and</li> <li>(ii) the Generic <b>Terms &amp; Conditions</b> and <b>the Specific Terms &amp; Conditions for HSBC Fusion in our Universal Terms &amp; Conditions</b> available at <a href="https://cdn.hsbc.com.my/content/dam/hsbc/my/docs/universal-bank/2021-april-terms-and-conditions.pdf">https://cdn.hsbc.com.my/content/dam/hsbc/my/docs/universal-bank/2021-april-terms-and-conditions.pdf</a></li> </ul> <p>In the event of inconsistency between these terms and conditions for Payment Reduction 2.1 and any of the above, these terms and conditions for Payment Reduction 2.1 shall prevail in so far as they apply to this Payment Reduction 2.1.</p>

	shall prevail in so far as they apply to this Payment Reduction 2.	
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