

FAQs on our Amended Terms for Additional Deferment Programme 2 (“Additional Deferment 2.2”) and Amended Terms for Payment Reduction Programme 2 (“Payment Reduction 2.2”) for Retail Business Banking Loans/Financing Customers (Updated 30 July 2021)

(Following speech by the Prime Minister on 28 June 2021)

1. Who is eligible for this programme?

Effective 7 July 2021, the **Additional Deferment 2.2 and Payment Reduction 2.2** are applicable to existing Retail Business Banking Loan/Financing* customers that require additional assistance and meet the following requirements:

a) The existing Retail Business Banking Loan/Financing customers fall within Category 1, Category 2 or Category 3 as defined below:

▪ **Category 1:**

Microenterprises.

Microenterprises as defined by SME CORP are business entities with sales turnover of less than RM300,000; or less than 5 full-time employees.

▪ **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.

▪ **Category 3:**

Existing Category 1 or Category 2 customers who are currently on any temporary financial relief, financial assistance programme or targeted repayment assistance programme with us; and

b) The Retail Business Banking customer’s loan/financing approved on or before 30 June 2021;

c) 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 2.2 or Payment Reduction 2.2**; and

d) The Retail Business Banking customer is not under winding up proceedings.

*For **overdraft customers**, this targeted repayment assistance programme is only applicable to customers with balances in excess of the approved limit.

Please note:

- No supporting documents are required to prove eligibility.

If your account is enrolled under AKPK Debt Management program, please contact AKPK for enrolment at www.akpk.org.my or contact AKPK at 03-26167799.

2. What assistance am I/are we eligible for?

The following assistance will be available to Microenterprises and SMEs that have been affected by the COVID-19 pandemic;

- 6-months payment relief/deferment; or
- 50% reduction of monthly payments for 6 months.

*For **eligible overdraft customers**, only 6-months payment relief/deferment is available.

However, the Bank reserves the right to request for supporting documents for validation purposes if needed.

3. How do I/we participate in the Additional Deferment 2.2 or Payment Reduction 2.2 and choose my/our preferred targeted assistance programme?

Eligible Retail Business Banking customers may choose their preferred financial assistance by submitting their application using our online application form for RBB customers available [on our website](#).

If you are currently on any temporary financial relief or financial assistance programme with us, you may choose your preferred financial assistance by submitting your application by using our online application form customers available [on our website](#).

The Additional Deferment 2.2 and Payment Reduction 2.2 is by application, subject to the bank's review and approval.

Please read and agree to our [HSBC Malaysia Fusion \(RBB\) / HSBC Amanah Fusion \(RBB\) Financial Assistance Programme Terms & Conditions](#) before submitting your application.

By submitting your choice for Additional Deferment 2.2 or Payment Reduction 2.2, you are deemed to have read and agreed to the Terms and Conditions applicable to you, and you confirm that you are eligible for the relevant aforementioned programme.

Please submit your request online. You will receive an email confirmation within 2 days. If we are unable to confirm your eligibility within this period, we will respond to you within 5 days.

4. With this programme, will I/we have to pay more or incur further interest/profit/lease rental?

If you choose to continue with either **Additional Deferment 2.2 or Payment Reduction 2.2**, the interest / profit / lease rental will continue to accrue and your monthly repayment / payment amount and/or financing tenure will be adjusted upon the expiry of this relevant programme to reflect the higher overall financing cost. Hence, the total amount payable for your loans/financing will be higher if you choose any of the options in the programme.

For HSBC Fusion (Retail Business Banking) customers with Unsecured Facilities (Working Capital)

Remaining Principal Remaining Loan Tenure Interest Rate	RM 500,000 60 months (5 years) 8.89% p.a.		
	Not on any financial assistance programmes	Additional Deferment Programme 6-month deferment of monthly instalment	Payment Reduction Programme 50% reduction of monthly instalment for 6 months
	Monthly instalment		
Monthly instalment / Before financial assistance period	RM 10,353	RM 10,353	RM 10,353
During financial assistance period	RM 10,353	RM 0 ↓	RM 5,176 ↓
1st Month After financial assistance	RM 10,353	RM 10,353	RM 10,166 ↓
2nd Month thereafter	RM 10,353	RM 10,822 ↑	RM 10,166 ↓
Total interest amount	RM 121,150	RM 148,870 ↑	RM 141,030 ↑
Difference in interest payable	N/A	RM 27,720 ↑	RM 19,880 ↑
Remaining Tenure from Current Date	60 months (5 years)	66 months (5 years + 6 months)	66 months (5 years + 6 months)

Subject to no change in BR rate throughout the remaining tenure of your loan.

Examples shown are for illustration purposes. The length of tenure extension and interest charges may vary depending on the loan's interest rate and the remaining tenure and whether you have unpaid instalments prior to entering the programmes.

For HSBC Fusion (Retail Business Banking) customers with Property Loan

Remaining Principal Remaining Loan Tenure Interest Rate	RM 1,500,000 180 months (15 years) 3.39% p.a.		
	Not on any financial assistance programmes	Additional Deferment Programme 6-month deferment of monthly instalment	Payment Reduction Programme 50% reduction of monthly instalment for 6 months
Monthly instalment			
Monthly instalment / Before financial assistance period	RM 10,642	RM 10,642	RM 10,642
During financial assistance period	RM 10,642	RM 0 ↓	RM 5,321 ↓
1st Month After financial assistance	RM 10,642	RM 10,642	RM 10,596 ↓
2nd Month thereafter	RM 10,642	RM 10,824 ↑	RM 10,596 ↓
Total interest amount	RM 415,613	RM 448,150 ↑	RM 439,195 ↑
Difference in interest payable	N/A	RM 32,537 ↑	RM 23,582 ↑
Remaining Tenure from Current Date	180 months (15 years)	186 months (15 years + 6 months)	186 months (15 years + 6 months)

Subject to no change in BLR rate throughout the remaining tenure of your loan.

Examples shown are for illustration purposes. The length of tenure extension and interest charges may vary depending on the loan's interest rate and the remaining tenure and whether you have unpaid instalments prior to entering the programmes.

For HSBC Fusion (Retail Business Banking) customers with Property Financing

Remaining Principal Remaining Financing Tenure Lease Rental Rate	RM 1,500,000 180 months (15 years) 3.39% p.a.		
	Not on any financial assistance programmes	Additional Deferment Programme 6-month deferment of monthly instalment	Payment Reduction Programme 50% reduction of monthly instalment for 6 months
Monthly instalment			
Monthly instalment / Before financial assistance period	RM 10,642	RM 10,642	RM 10,642
During financial assistance period	RM 10,642	RM 0 ↓	RM 5,321 ↓
1st Month After financial assistance	RM 10,642	RM 10,642	RM 10,596 ↓
From September 2022 & thereafter	RM 10,642	RM 10,790 ↑	RM 10,596 ↓
Total lease rental amount	RM 415,613	RM 441,056 ↑	RM 439,195 ↑
Difference in lease rental payable	N/A	RM 25,443 ↑	RM 23,582 ↑
Remaining Tenure from Current Date	180 months (15 years)	186 months (15 years + 6 months)	186 months (15 years + 6 months)

Subject to no change in BFR rate throughout the remaining tenure of your financing.

Examples shown are for illustration purposes. The length of tenure extension and lease rental charges may vary depending on the financing's lease rental rate and the remaining tenure and whether you have unpaid payments prior to entering the programmes.

For HSBC Fusion (Retail Business Banking) customers with Overdraft Facility in Excess

Maximum Limit Balance in Excess Interest Rate	RM 200,000 RM 220,000 8.24% p.a.	
	Not on any financial assistance programmes	Additional Deferment Programme 6-month deferment of monthly instalment
Total Amount		
Interest on Overdraft Utilized Amount	RM 1,490	RM 9,138 ↑
Amount in Excess	RM 20,000	RM 20,000
Total Repayment Instalment	RM 21,490	**RM 29,138 ↑
Difference in Total Repayment Instalment	N/A	RM 7,648 ↑

**The accrued interest during the additional deferment period and amount in excess (if any) (i.e. amount above the Overdraft limit on the last day of your additional deferment period) will be payable by you as a lump sum payment at the end of the additional deferment period.

Subject to no change in BLR rate on overdraft utilized amount.

Examples shown are for illustration purposes. The interest charges may vary depending on the overdraft utilized amount plus commitment fee on utilized amount.

As such, you should carefully assess whether you really need the temporary financial relief and whether you can afford to continue with your regular payments before deciding to apply for the financial assistance.

If your financial situation improves during the Additional Deferment 2.2 Period or Payment Reduction 2.2 Period and you wish to cancel the programme before it expires, please inform us as such to revise the monthly repayment/payment amount to reduce overall financing cost. No late payment charges will be imposed during Additional Deferment 2.2 Period or Payment Reduction 2.2 Period.

5. If I am/we are already on an existing HSBC Targeted Assistance Programme, can I/we still apply for this Additional Deferment 2.2 or Payment Reduction 2.2?

Yes, as long as you meet the eligible criteria as per item 1.

If you are currently on an additional deferment programme with us and you apply for payment reduction under Payment Reduction 2.2, the existing additional deferment programme will be cancelled prior to the **Payment Reduction 2.2** taking effect. The same treatment applies if you are currently on a payment reduction programme with us and you apply for additional deferment under Additional Deferment 2.2 i.e. the existing payment reduction programme will be cancelled prior to the **Additional Deferment 2.2** taking effect.

If you are currently on 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.

If you are currently on 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

For applications made in July, if you wish for the programme to commence in July or you have paid your July instalment and would like a refund, please contact your Relationship Manager or our HSBC Fusion (Retail Business Banking) hotline at 1-300-801-998 (local) or 03-8321 8888 (international) for arrangements.

For Retail Business Banking Loan/Financing customers (except Overdraft facility)

At the end of the Additional Deferment 2.2 Period, all accrued interest will be capitalized and added to the outstanding balance of your facility. If applicable and if you continue with Additional Deferment 2.2 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 Additional Deferment 2.2, then all accrued interest under the said programme will be capitalized before Additional Deferment 2.2 takes effect. The same treatment applies if you are applying for Payment Reduction 2.2.

For **Overdraft facilities**, the accrued interest during the Additional Deferment 2.2 Period and amount in excess (if any) (i.e. amount above the Overdraft limit on the last day of your Additional Deferment 2.2 Period) will be payable by you as a lump sum payment at the end of the Additional Deferment 2.2 Period.

For **HSBC Amanah (Islamic banking)**, the accrued lease rental/advance lease rental will not be capitalized in Additional Deferment 2.2 Programme/Payment Reduction 2.2 Programme. The details of accrued lease rental (if any) treatment will be stated in Clause 7 of the Additional Deferment 2.2 terms and Clause 5 of the Payment Reduction 2.2 terms for HSBC Amanah Fusion (Retail Business Banking).

If you are already on an existing payment reduction programme, you may also request for further revision to your monthly instalment amount which if approved by us will be applied to your remaining payment reduction period.

We strongly encourage you to get in touch with us to review your repayment/payment terms when your financial circumstances improve in order to reduce your borrowing / financing

costs or to discuss for a sustainable repayment/payment assistance plan for the period beyond this assistance including addressing any outstanding payments in arrears.

6. I am/We are an eligible Microenterprise and my/our existing Targeted Assistance Programme/Financial Assistance Programme will end in June 2021. Can I/we still apply for the Additional Deferment 2.2 or Payment Reduction 2.2?

Yes, as long as:

- You are a microenterprise or SME affected by the COVID-19 pandemic.
- Your loan/financing approved on or before 30 June 2021.
- Your loan/financing is not in arrears for more than 90 days at the time you submit for the programme.
- Your business entity is not under winding up proceedings.

If you do not fulfil the eligibility criteria as per item 1, but you need further financial assistance, please email defer-assist-rbblending@hsbc.com.my.

The financial assistance programme is not automatic and is by application only, subject to the bank's review and approval.

Note: Please read and agree to our [HSBC Malaysia Fusion \(RBB\) / HSBC Amanah Fusion \(RBB\)](#) Financial Assistance Programme Terms & Conditions before submitting your application.

By submitting your request for financial assistance, you are deemed to have read and agreed to our [HSBC Malaysia Fusion \(RBB\) / HSBC Amanah Fusion \(RBB\)](#) Financial Assistance Programme Terms & Conditions.

To apply, please submit your request with your Company Name, Business Registration No., loan/financing account number and any of the following documents to defer-assist-rbblending@hsbc.com.my:

- Latest company's 6 months' bank statements; and/or
- Other documents that may be required by the Bank for assessment on case to case basis (e.g. debtor/credit aging list, contracts and etc.)

Please submit your request and documents via email and our team will get in touch with you within 3 business days.

You may also contact your Relationship Manager or our HSBC Fusion (Retail Business Banking) hotline at 1-300-801-998 (local) or 03-8321 8888 (international) if you need further assistance.

7. Will I/we incur any fees for applying to this targeted assistance programme?

No. The bank will not be imposing any fees or charges for this Additional Deferment Programme 2.2 /Payment Reduction Programme 2.2.

8. Would my/our CCRIS record be affected if I/we choose to take up a Targeted Assistance Programme?

No. Rest assured that any financial assistance taken will not impact your CCRIS ("Central Credit Reference Information System") status.

We are updating our FAQs regularly, please check back here as we add on more answers to the questions that you might have. Thank you.