

Special Deposit Facility to Remain until 31st March 2018

Dear Valued Customer,

We are writing to inform you that your Special Deposit Facility (“SDF”) accounts will only remain available until 31st March 2018.

SDF was offered to facilitate conversion of export proceeds by resident exporters.

What do you need to know?

Due to a recent announcement from Bank Negara Malaysia (BNM) dated 14 December 2017, effective 1 January 2018, new proceeds from export conversion are not eligible to be placed into the SDF account. However, resident exporters are allowed to withdraw from the SDF account between 1 January 2018 and 31 March 2018.

During this period (1 January 2018 to 31 March 2018) the balances in the SDF account will earn a rate of 3.10% (reduced from 3.25% currently offered) per annum.

The 75% conversion for export proceeds on goods will continue to apply for all export proceeds received by HSBC Bank Malaysia Berhad (“HSBC”) as per Bank Negara Malaysia (“BNM”)’s Supplementary Notice on Foreign Exchange Administration Rules - Measures to Promote the Development of Malaysian Financial Market dated 2 December 2016.

HSBC will therefore credit the converted export proceeds to your non-SDF MYR current account maintained with the Bank. If you have more than one non-SDF MYR current account with HSBC, the Bank will credit funds to any of these MYR current accounts.

If you wish to credit the abovementioned funds to a specific MYR current account with HSBC or have any questions on the above, please contact your Relationship Manager.