

Revision of HSBC Bank Malaysia Berhad (“HSBC Bank”) and HSBC Amanah Malaysia Berhad (“HSBC Amanah”) Universal Terms and Conditions

Dear Valued Customers,

We would like to inform that our Universal Terms and Conditions has been updated and revised. The effective date of the revised Universal Terms and Conditions (December 2017 Edition) is as follows:

- 06 December 2017 for all new customers of HSBC Bank
- 27 December 2017 for all existing customers of HSBC Bank as at 06 December 2017

The following clauses have been amended and revised (added wording in bold and underlined and removed wording struck-through).

A. HSBC Bank Universal Terms and Conditions

1. All references to “exchange control” throughout the Universal Terms and Conditions shall be deleted and replaced with “Foreign Exchange Administration”.

2. Generic Terms and Conditions – Amendment to Clause 9 (i) Suspension/Closure of Account:

9. *The Customer acknowledges that the Bank has absolute discretion:*
- (i) *not to carry out any instructions or suspend the use of an account if the Bank doubts its authenticity or considers it appropriate to do so; or in the event of any dispute between the joint account holders, authorised signatories, partners (whether in respect of a conventional partnership or a limited liability partnership) or directors of a company; or if the Bank were to receive conflicting instructions from the foregoing persons; or if the Customer fails to pay any fees and charges imposed by the Bank; **or if the Customer fails to provide sufficient information in relation to any payment instructions (including but not limited to purpose of payment);** and/or*

3. Generic Terms and Conditions – Amendment to Clause 22 (iii) & (iv) Inward Remittances:

22. *The Bank reserves the right:*
- (iii) *to stop any inward remittance in favour of the Customer if the originator’s information received by the Bank is incomplete, **or if the originator does not furnish the Bank with the purpose of the remittance** and the Bank shall not be liable to the Customer for the delay or rejection of the inward remittance.*
- (iv) *to reverse any payments received through MEPS Interbank GIRO from a resident or external account for credit to the Customer’s external account with the Bank, **if the originator does not furnish the Bank with the purpose of the payments, or if the amount is more than RM5,000 RM10,000** per day and/or if it is from a non-permitted source under ~~Exchange Control~~ BNM Notices on **Foreign Exchange Administration** ~~regulations~~-Rules.*

4. Specific Terms and Conditions for Premier and Advance – Amendment to Clause 6 (a) (i) Services – Premier Account:

6. *Services – Premier Account* *Cheque Protection Facility*

- a. (i) *The Cheque Protection facility (by way of cheque issuance of up to RM500);*
- *is an overnight excess allowed by the Bank;*
 - *must be regularised by the end of the next banking day;*

- is subject to the Bank's customary overriding right of repayment on demand; and
- may be withdrawn **at the discretion of the Bank which includes** in the event unsatisfactory conduct of account which includes cheque returns or failure to regularise excesses as required above.

5. Specific Terms and Conditions for Premier and Advance – Amendment to Clause 7 (a) (i) Services – Advance Account:

7. *Services – Advance Account*
Cheque Protection Facility

- (a) (i) *The Cheque Protection facility (by way of cheque issuance of up to RM200);*
- is an overnight excess allowed by the Bank;
 - must be regularised by the end of the next banking day;
 - is subject to the Bank's customary overriding right of repayment on demand; and
 - may be withdrawn **at the discretion of the Bank which includes** in the event unsatisfactory conduct of account which includes cheque returns or failure to regularise excesses as required above.

B. HSBC Amanah Universal Terms and Conditions

1. All references to “exchange control” throughout the Universal Terms and Conditions shall be deleted and replaced with “Foreign Exchange Administration”.

2. Generic Terms and Conditions – Amendment to Clause 9 (i) Suspension/Closure of Account:

9. *The Customer acknowledges that the Bank has absolute discretion:*
- (i) *not to carry out any instructions or suspend the use of an account if the Bank doubts its authenticity or considers it appropriate to do so; or in the event of any dispute between the joint account holders, authorised signatories, partners (whether in respect of a conventional partnership or a limited liability partnership) or directors of a company; or if the Bank were to receive conflicting instructions from the foregoing persons; or if the Customer fails to pay any fees and charges imposed by the Bank; **or if the Customer fails to provide sufficient information in relation to any payment instructions (including but not limited to purpose of payment); and/or***

3. Generic Terms and Conditions – Amendment to Clause 22 (iii) & (iv) Inward Remittances by:

22. *The Bank reserves the right:*
- (iii) *to stop any inward remittance in favour of the Customer if the originator's information received by the Bank is incomplete, **or if the originator does not furnish the Bank with the purpose of the remittance** and the Bank shall not be liable to the Customer for the delay or rejection of the inward remittance.*
- (iv) *to reverse any payments received through MEPS Interbank GIRO from a resident or external account for credit to the Customer's external account with the Bank, **if the originator does not furnish the Bank with the purpose of the payments,** or if the amount is more than **RM5,000 RM10,000** per day and/or if it is from a non-permitted source under ~~Exchange Control~~ **BNM Notices on Foreign Exchange Administration** regulations Rules.*

4. Specific Terms and Conditions for HSBC Amanah Premier and HSBC Amanah Advance – Amendment to Clause 3 (a) (i) Services – Premier Account-i:

3. *Services – Premier Account-i*
Cheque Protection Facility

- (b) (i) *The Cheque Protection facility (by way of cheque issuance of up to RM500);*
- is an overnight excess allowed by the Bank;
 - must be regularised by the end of the next banking day;
 - is subject to the Bank's customary overriding right of repayment on demand; and

- may be withdrawn **at the discretion of the Bank which includes** in the event unsatisfactory conduct of account which includes cheque returns or failure to regularise excesses as required above

5. Specific Terms and Conditions for Premier and Advance – Amendment to Clause 4 (a) (i) Services – Advance Account-i:

4. Services – Advance Account-i
Cheque Protection Facility

(c) (i) The Cheque Protection facility (by way of cheque issuance of up to RM200);

- is an overnight excess allowed by the Bank;
- must be regularised by the end of the next banking day;
- is subject to the Bank's customary overriding right of repayment on demand; and
- may be withdrawn **at the discretion of the Bank which includes** in the event unsatisfactory conduct of account which includes cheque returns or failure to regularise excesses as required above.

6. Specific Terms and Conditions for Retail Banking and Wealth management – Amendment to clause 9 (c), (e), (f), (h), (j) and (p):

9. Term Deposit-i

- a. A minimum deposit amount in Ringgit or foreign currency shall be as determined by the Bank.
- b. Duration of placement is subject to a minimum of 1 month and a maximum of 60 months. Placement by cheque is subject to clearance of the cheque.
- ~~c. The Customer gives consent to the Bank to utilise any part of the deposit in the account for investment purposes before the execution of Commodity Murabahah Transactions. **On placement, the deposit must be debited from the Customer's savings/current account and information on the deposit will be included in the Customer's account statement. The Customer consents to the Bank utilising any part of the deposit placed for investment purposes before the execution of Commodity Murabahah Transactions.**~~
- d. Commodity Murabahah Transactions
The Customer shall enter into purchase and sale transactions for Shariah compliant commodities such as Crude Palm Oil ("**Commodity Murabahah Transactions**") on the next Trading Day.
- ~~e. **The Customer agrees that the Bank shall act as an agent of the Customer only for the Commodity Murabahah Transactions, and the agency shall be terminated if the deposit is withdrawn.**~~
- ~~f. **The Bank may undertake the role as agent for more than one Customer and will execute the role for each Customer independently.**~~
- g. The Bank as the Customer's agent shall in good faith, perform transactions to:-
- purchase the commodity on cash basis ("**Purchase Transactions**"); and
 - sell the commodity on deferred payment basis to the Bank ("**Sale Transactions**") at the Murabahah Sale Price (deposit plus profit) where profit is calculated as follows:
Profit = Deposit X Rate X Number of days / 365 or 366 days.
- ~~h. **The Bank may sell the commodity to any third party after purchasing the commodity from the Customer in the Sale Transaction.**~~
- i. "Trading Day" refers to a day other than Saturdays and Sundays and on which Bursa Suq Al-Sila (or such other commodities exchange that the Bank may use) is open for trading.
- ~~j. **Any brokerage fee or costs involved in the Purchase Transactions shall be paid by the Bank.**~~
- k. The Customer agrees to indemnify the Bank against all actions, claims, demands, liabilities, losses, damages, costs and expenses of whatever nature which the Bank may sustain, suffer or incur as a result of acting as the Customer's agent in the Commodity Murabahah Transactions or for any breach of the Customer's obligations except in the event of misconduct, negligence or breach of specified terms. This indemnity shall continue in spite of the termination of the Bank's agency.
- l. The Bank shall pay the Customer:
- For placements below 12 months, the deposit and profit on the maturity date of the deposit; and

- For placements 12 months and above, the deposit on the maturity date and profit at six monthly intervals until the maturity date and if the last period to maturity is less than six months, profit shall be based on the actual remaining number of months to the maturity date.

The Bank may at its discretion, also pay profit at monthly intervals.

m. Premature withdrawal of the deposit

If the Customer withdraws the deposit before the maturity date, the Customer agrees that the Bank shall be entitled for a rebate equivalent to:

- For deposits 3 months and below: profit from the Murabahah Sale Price; and
- For deposits above 3 months: half of the profit for the completed months plus the profit for the uncompleted months.

The rebate shall be deducted from the Murabahah Sale Price.

n. The Bank may at its discretion pay the Murabahah Selling Price to the Customer at a date before the maturity of the deposit, in which case profit shall be paid in proportion to the number of days the deposit was held.

o. All deposits shall be automatically renewed for the same period on maturity date, unless instructions in writing or via channels made available by the Bank are received by the Bank from the Customer beforehand. Paragraphs (c) to (g) above shall apply to each renewal. The Customer has the right to give and/or to amend any instructions up to the maturity date.

p. ~~The Customer must open or have a savings/current account for the Murabahah Sale Price to be credited into, and information relating to this account will be included in the Customer's account statement.~~ **The Customer agrees that on the maturity or withdrawal, the deposit and/or profit shall be credited to the same account from which the deposit originated.**

7. Specific Terms and Conditions for Retail Banking and Wealth management – Amendment to clause 11 (d)

11. FCY Term Deposit-i

d. The Customer agrees that:

- profit shall be paid on maturity of the deposit; ~~and~~
- deposits may not be withdrawn before the maturity date and if exceptionally allowed, no profit is payable on the deposits and the Customer shall compensate the Bank for the penalty charges and any loss calculated at prevailing market rates;
- duration of placement is limited to 1, 3, 6, 9 or 12 months only; **and**
- **on maturity or withdrawal, the deposit and/or profit shall be credited to the same foreign currency savings/current account from which the deposit originated.**