



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

Area of Change	Original (Additional Deferment 2.1)	Revised (Additional Deferment 2.1)
<p>Extension of Additional Deferment 2.1 to Overdraft customers with balances in excess</p>	<p>Not specified</p>	<p>1. These terms apply to all applications for Additional Deferment 2.1 and are applicable to existing Retail Business Banking Loan/Financing customers (for customers with overdraft facility, only Retail Business Banking customers with balances in excess of the approved limit) that fall within Category 1, Category 2 or Category 3 as defined below:</p> <p>(i) Category 1 (effective from 23 November 2020) 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"> ▪ Sales turnover of less than RM300,000; or ▪ Less than 5 full time employees; <p>Or</p> <p>(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).</p> <ul style="list-style-type: none"> ▪ 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.

		<ul style="list-style-type: none"> ▪ 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. <p>Or</p> <p>(iii) Category 3 Existing Category 1 or Category 2 customers who are currently on any temporary financial relief or financial assistance programme with us;</p> <p>AND meet the following requirements:</p> <ul style="list-style-type: none"> (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 (ii) The Retail Business Banking customer is not under winding up or bankruptcy proceedings.
Treatment of Additional Deferment 2.1 for Overdraft customers	Not specified	<p>6. During the period referred to in Clauses 2 and 3 above ("Additional Deferment 2.1 Period"), you do not need to pay any monthly instalment (consisting of principal and/or interest) or overdraft total repayment instalment under your loan account(s). However, interest will continue to accrue on your outstanding balance. We will not compound any interest accrued during this Additional Deferment 2.1 Period and this accrued interest will not be considered as overdue interest.</p>
How interest accrued and amount in excess will be treated at the end of the Additional Deferment 2.1 Period for Overdraft customers	Not specified	<p>7. (a) For Retail Business Banking Loan/Financing customers (except Overdraft facility)</p> <ul style="list-style-type: none"> (i) 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.

		<p>(ii) If applicable 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.</p> <p>(iii) 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.</p> <p>(b) For Retail Business Banking customers with overdraft facility, the accrued interest during the Additional Deferment 2.1 Period and amount in Excess (if any) (i.e. amount above the Overdraft limit on the last day of your Additional Deferment 2.1 Period) will be payable by you as a lump sum payment at the end of the Additional Deferment 2.1 Period.</p>
Notification letter to Overdraft customers	Not specified	<p>10. We will notify you of your revised monthly instalments, or in the case of Retail Business Banking customers with overdraft total repayment instalment, to be paid after the end of the Additional Deferment 2.1 before the end of the Additional Deferment 2.1 Period.</p>