



## **Wealth and Personal Banking of HSBC Amanah Malaysia Berhad**

### **- Terms of the Additional Deferment Programme 2 for Individual Customers Excluding Credit Cards (“Additional Deferment 2”)**

1. These terms apply to all applications for the Additional Deferment 2 effective 23 November 2020.
2. 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.
3. On exceptional case basis, we may approve and you will be notified on:
  - (i) a longer deferment period, and/or
  - (ii) the commencement of the Additional Deferment 2 to begin in the same month as we received your application.
4. If you are currently on any temporary financial relief or targeted assistance programme with us, the existing temporary financial relief or targeted assistance programme will be cancelled prior to the Additional Deferment 2 taking effect. The treatment of accrued profit / lease rental (if any) and extension of facility tenure pursuant to these programmes up to the date of cancellation will follow Clauses 7 and 8 below.
5. If you have any overdue amount in arrears, the principal / purchase price portion of the overdue amount will be capitalized and added to the principal balance of your facility at the commencement of the Additional Deferment 2. The profit / lease rental portion of the overdue amount will be accrued and Clause 7 applies. For the avoidance of doubt, there is no compounding of profit / lease rental involved during the process.
6. You do not need to pay any monthly payment (consists of principal/ purchase price and/or profit / lease rental) during the deferment period. However, profit / lease rental will continue to accrue on your outstanding balance but we will not compound any accrued profit / lease rental during the deferment period. In addition, the accrued profit / lease rental will not be considered as overdue profit / lease rental.
7. Upon expiry of the deferment period, your revised monthly payment will be applied and allocated to pay off total accrued profit / lease rental first. Once all accrued profit / lease rental is settled, your monthly payment will be applied to pay off the principal / purchase and profit / lease rental as usual.
8. Your facility tenure will be extended by the same duration of the deferment period. This is in addition to any tenure extension pursuant to a previous deferment, temporary financial relief and/or targeted assistance programme.
9. As a result of the Additional Deferment 2, please take note that your revised monthly instalments, final monthly instalment and overall payments will likely to be higher by the end of your facility tenure.
10. We will notify you of the revised monthly instalment at a later date.
11. You agree to provide supporting information and documents to verify your eligibility at any time upon our request. 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.

12. **Applicable to Amanah Personal Financing-i (APF-i) accounts without an existing Ceiling Profit Rate (CPR) only:**

A new Commodity Murabahah contract is required in order to operationalise the Additional Deferment 2. We will supplement your existing Facilities terms and condition with a revised rebate structure; where the Effective Profit Rate, being the existing contracted Profit Rate ("EPR") will remain unchanged. By agreeing to this Additional Deferment 2, you accept the following amendment to the existing Facilities terms and conditions: -

- a. The existing Commodity Murabahah contract will be replaced with a new one.
- b. We are irrevocably appointed as your agent to complete the necessary purchase and sale of Shariah-compliant commodities as per the existing Facilities terms and conditions.
- c. The Shariah-compliant commodities will be sold to you at the Bank's Selling Price described below.

$$\text{Bank's Selling Price} = \text{Cost Price} + \text{Ceiling Profit}$$

**Cost Price** is the original Facility Amount

**Ceiling Profit** equals to Cost Price x CPR of 20% p.a. x original tenor

- d. Your Monthly Payments will be based on the EPR. We shall grant you a rebate equivalent to the difference between the CPR and EPR. EPR shall not exceed CPR at all times.

13. We may change these terms and conditions including treatment of your monthly payment if necessary to do so due to reasons such as changes in law or regulations, increased costs of offering this programme, or changes to our business, technology, services and facilities we use. We do not know all the reasons why a change may be needed in the future, but if we do make the change(s) for any reasons, we will make sure that the change(s) are reasonable and promptly notified to you.

Please also refer to our [Frequently Asked Questions](#).



## Wealth and Personal Banking of HSBC Amanah Malaysia Berhad

### - Terms of the Payment Reduction Programme 2 for Individual Excluding Credit Cards (“Payment Reduction 2”)

1. These terms apply to all applications for Payment Reduction 2 effective 23 November 2020.
2. If you are currently on any temporary financial relief or targeted assistance programme with us, the existing temporary financial relief or targeted assistance programme will be cancelled prior to the Payment Reduction 2 taking effect. The treatment of accrued profit / lease rental (if any) and extension of facility tenure pursuant to these programmes up to the date of cancellation will follow Clauses 5 and 6 below respectively.
3. If you have any overdue amount in arrears, the principal / purchase price portion of the overdue amount will be capitalized and added to the principal balance of your facility at the commencement of the Payment Reduction 2. The profit / lease rental portion of the overdue amount will be accrued and Clause 5 applies. For the avoidance of doubt, there is no compounding of profit / lease rental involved during the process.
4. The Payment Reduction 2 is for a period of six (6) months, during which you will pay a lower revised monthly payment (consists of principal / purchase price and profit / lease rental) of an amount we notify you upon your successful application. The difference in respect of the profit / lease rental amount between the original monthly payment and the revised monthly payment will be accrued but will not be compounded. In addition, the accrued profit / lease rental will not be considered as overdue profit / lease rental.
5. Upon expiry of the deferment period, your revised monthly payment will be applied and allocated to pay off total accrued profit / lease rental first. Once all accrued profit / lease rental is settled, your monthly payment will be applied to pay off the principal / purchase and profit / lease rental as usual.
6. Your facility tenure will be extended by the same duration of the Payment Reduction 2 period. This is in addition to any tenure extension pursuant to a previous deferment, temporary financial relief and/or targeted assistance programme.
7. As a result of the Payment Reduction 2, please take note that your revised monthly instalments, final monthly instalment, and overall payments will likely to be higher by the end of your facility tenure.
8. You agree to provide supporting information and documents to verify your eligibility at any time upon our request. We reserve the right to terminate the Payment Reduction 2 immediately if at any time we found or has 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 due and payable in whole upon termination, and no tenure extension will apply.
9. **Applicable to Amanah Personal Financing-i (APF-i) accounts without an existing Ceiling Profit Rate (CPR) only:**

A new Commodity Murabahah contract is required in order to operationalise the Payment Reduction 2. We will supplement your existing Facilities terms and condition with a revised rebate structure; where the Effective Profit Rate, being the existing contracted Profit Rate (“EPR”) will remain unchanged. By agreeing to this Payment Reduction 2, you accept the following amendment to the existing Facilities terms and conditions: -

- a. The existing Commodity Murabahah contract will be replaced with a new one.

- b. We are irrevocably appointed as your agent to complete the necessary purchase and sale of Shariah-compliant commodities as per the existing Facilities terms and conditions.
- c. The Shariah-compliant commodities will be sold to you at the Bank's Selling Price described below.

**Bank's Selling Price** = Cost Price + Ceiling Profit

**Cost Price** is the original Facility Amount

**Ceiling Profit** equals to Cost Price x CPR of 20% p.a. x original tenor

- d. Your Monthly Payments will be based on the EPR. We shall grant you a rebate equivalent to the difference between the CPR and EPR. EPR shall not exceed CPR at all times.
10. We may change these terms and conditions including treatment of your monthly payment if necessary to do so due to reasons such as changes in law or regulations, increased costs of offering this programme, or changes to our business, technology, services and facilities we use. We do not know all the reasons why a change may be needed in the future, but if we do make the change(s) for any reasons, we will make sure that the change(s) are reasonable and promptly notified to you.

Please also refer to our [Frequently Asked Questions](#).