

SPECIFIC TERMS & CONDITIONS FOR HSBC AMANAH PREMIER

(April 2010 Edition)

EFFECTIVE DATE :

- 17 April 2010 for new customers of HSBC Amanah.
- 24 April 2010 for existing customers of HSBC Amanah as at 17 April 2010.

These Specific Terms & Conditions are applicable to HSBC Amanah Premier (other than credit cards-i) as provided by HSBC Amanah Malaysia Berhad ("HSBC Amanah") and should be read together with the applicable specific terms and conditions of the individual products and/or services and the Generic Terms and Conditions ("GTC") of HSBC Amanah.

The Generic and Specific Terms & Conditions are available on request and on HSBC Amanah's website at www.hsbcamanah.com.my. Please take the time to read them as they are binding on you.

Please contact your nearest HSBC Amanah branch if you require any clarification.

Thank you for banking with HSBC Amanah.

SPECIFIC TERMS & CONDITIONS FOR HSBC AMANAH PREMIER

Clause headings are not to affect the interpretation of the Clauses.

1 ▶ **HSBC PREMIER ACCOUNT-i**

This account is based on the Shariah principle of *Wakalah (agency)*.

- a ▶ The Customer appoints the Bank as his "*Wakeel al-Istithmar*" or investment agent and expressly consents to the Bank dealing with and/or investing any part of the deposits in the account in Shariah compliant investments or transactions.
- b ▶ The Bank anticipates but does not guarantee that a minimum return may be generated from its dealing with the Customer's funds. The returns will depend on market performance and may vary from time to time.
- c ▶ The Customer agrees that unless there has been negligence or mismanagement by the Bank in carrying out its responsibilities as the Customer's "*Wakeel al-Istithmar*" or investment agent, the Bank is not liable for the return of any or all of the moneys deposited.
- d ▶ The return shall be:
 - calculated on a daily basis on the balance at the end of each day at a rate to be determined by the Bank from time to time; and
 - credited to the Customer's Account on a monthly basis.
- e ▶ A monthly service fee (the "*wakalah*" or agency fee) as stated for the time being in the Bank's Tariff and Charges which can be viewed at www.hsbcamanah.com.my shall be imposed.
- f ▶ The Customer confirms that the Customer has not been reported by any bank to the credit bureau set up by Bank Negara Malaysia, and acknowledges that the Bank has the right to close the account if the Customer is so reported.
- g ▶ The Customer agrees:-
 - not to write any notations on the face of a cheque, and if any are written, the Bank has the right to ignore the notations without being liable to the Customer; and
 - not to make any changes on a cheque, and the Bank has the right to dishonour and return a cheque which the Bank views as having any changes, even if countersigned by the authorised signatories.
- h ▶ (i) The Customer agrees that it is the Customer's responsibility to keep the cheque book secure (preferably locked) and under its sole control at all times, and if the Customer fails to do so, the Bank shall not be liable for any loss suffered by the Customer.

(ii) The Customer agrees not to write cheques in a way which may allow the cheque to be tampered with or facilitates fraud, and to take precautionary measures such as, but not limited to:-
 - using only non-erasable ink (not erasable ballpoint pens, pencils, electronic typewriter or any other instruments);
 - not leaving signed or unsigned cheques unattended;
 - not pre-signing cheques in blank; and
 - destroying completely spoilt cheques;failing which no liability shall attach to the Bank.

- i ▶ The Customer acknowledges that a stop payment instruction may only be carried out if the cheque has not been presented for payment, and once carried out, cannot be reversed and:-
 - the words “stop payment” will be stamped on the cheque;
 - re-presentation of the cheque is not allowed; and
 - handling fees and penalty charges (if the account has insufficient funds for the cheque) will be charged and debited to the account.
- j ▶ The Customer agrees to check upon receipt, that:-
 - it has received the correct number of cheque books;
 - each cheque book has the correct number of cheque leaves;
 - account details printed are correct; and
 - to read and carry out all the instructions printed on the inside front cover of the cheque book;
 and if the Customer fails to do any of it, the Bank shall not be liable for any loss suffered by the Customer.
- k ▶ The Customer agrees not to issue cheques when there are insufficient funds in the account. Penalty charges for returned cheques due to insufficient funds will be charged and debited to the account.

2 ▶ **HSBC PREMIER AMANAH GENERAL INVESTMENT ACCOUNT-i (“AGIA”)**

This account is based on the Shariah principle of Mudharabah (*profit sharing*).

- a ▶ The Bank accepts the investment in the account from the Customer for a fixed time period and the Customer consents to the Bank using the investment for its financing and investment projects.
- b ▶ The profit shall be determined by the Bank based on the Profit Sharing Ratio as agreed when accepting the investment from the Customer in accordance with the prevailing Association of Islamic Banking Institutions Malaysia (AIBIM) Rules.
- c ▶ The payment of profit, if any, shall be paid:
 - on the maturity date; or
 - at periodic intervals at the Bank’s discretion.
- d ▶ If the investment is prematurely withdrawn, the payment of profit shall be:
 - Where the tenure of the investment exceeded 3 months, profit would be paid on half the prevailing indicative profit rate; and
 - Where the tenure of the investment was less than 3 months, no profit would be paid.
- e ▶ All investments plus profit distributed shall be automatically renewed for the same period on maturity date, unless written instructions from the Customer or its successors in title is received by the Bank beforehand. The Customer has the right to give and/or to amend any instructions up to the maturity date.
- f ▶ If the maturity date falls on a non-banking day, it will be automatically adjusted to the next banking day.
- g ▶ Placement by cheque is subject to clearance of the cheque.

3 ▶ **SERVICES**

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 payment on demand; and
 - may be withdrawn without notice in the event of unsatisfactory conduct of account which includes cheque returns or failure to regularise excesses as required above.

- (ii) The Customer accordingly holds the Bank free from all liability and agrees to indemnify the Bank against any actions, legal proceedings, claims and/or demands, cost, loss and expenses that may arise in connection with such withdrawal.

Account Statements

- b ▶ A consolidated monthly account statement shall be issued to the Customer and:
- sent in hard copy; or
 - made available in electronic format for download; and
 - shall consist of information on accounts held in the Customer's name at the Bank or third party products / services / investments marketed by the Bank.

Re-designation, etc of Premier Accounts

- c ▶ (i) The Bank may, at its sole discretion allocate, vary, withdraw, re-designate, convert, upgrade and/or downgrade ("**re-designate**") any or all the HSBC Amanah Premier Accounts-i, if the minimum requirements are not complied with, or for any other reasons without any obligation to furnish reasons for the same. The Customer in retaining any one or more of the services shall continue to be governed by these Terms and Conditions.
- (ii) If the Bank exercises its discretion to re-designate, the Bank shall notify the Customer and adjust and/or vary all features currently enjoyed by the Customer.
- (iii) Following a re-designation, the applicable provisions of these Specific Terms and Conditions and other terms and conditions governing the use of any features terminated shall continue to bind the Customer until all obligations and liabilities owing by the Customer to the Bank with respect to such features have been fully repaid and satisfied. All applicable provisions of these Specific Terms and Conditions and other terms and conditions governing the use of any new or additional features that the Customer shall enjoy as a result of the variation shall immediately become binding on the Customer.
- (iv) The Bank cannot be held liable or responsible for any loss incurred by or inconvenience to a Customer as a result of any re-designation and this shall include without limitation, any loss incurred by or inconvenience to a Customer as a result of the granting, termination or adjustment of any features in connection therewith.

Premier Facilities

- d ▶ The provision of facsimile, internet and meeting room facilities (the "**Facilities**") at the Bank's and HSBC Bank Malaysia Berhad's ("**HSBC**") selected branches are for the convenience of the Customer. The Bank and/or HSBC shall not be directly or indirectly responsible or liable for:
- any delays, errors or malfunction in the transmission or receipt of messages sent via the facsimile or internet facilities; or
 - any loss, damage or injury caused to the Customer during the Customer's use of the Facilities; or
 - any acts/omissions of the Customer in using the Facilities, as they do not represent the Bank's or HSBC's endorsement of such acts/omissions of the Customer.

HSBC Premier/HSBC Amanah Premier Services

- e ▶ HSBC Premier/HSBC Amanah Premier Services ("**Premier Services**") are offered exclusively to HSBC Premier/HSBC Amanah Premier customers. A description of the Premier Services can be:
- found in the HSBC Amanah Premier Welcome Pack; and
 - viewed at www.hsbcamanah.com.my; and
 - shall form part of and be read with these Terms and Conditions.

Emergency Encashment Service

- f ▶ The Customer agrees and acknowledges that:
- the Bank is authorised to debit the Customer's account(s) with an equivalent amount of any withdrawal made through the Emergency Cash Service whether with or without the Customer's knowledge or authority; and

- if this causes the Customer's account(s) to be overdrawn, a minimum fixed service charge which is not compounding shall be payable on demand.

HSBC Amanah Premier MasterCard Credit Card Services supported by MasterCard International Incorporated

- g ▶
- (i) MasterCard International Incorporated ("**MasterCard**"), its agents and third party service providers appointed by MasterCard or otherwise also provide selected credit card services to HSBC Premier/HSBC Amanah Premier credit cardholders ("**the Cardholder**").
 - (ii) The Cardholder agrees that the Bank:
 - shall not be liable for any actions, claims, losses, damages or liabilities of whatever nature arising out of any act or omission of MasterCard or its agents or third party service providers; and
 - does not give any warranty as to the provision of services by the Global Service Assistance Centre or any third party service providers.
 - (iii) The Cardholder also agrees that the Cardholder is responsible for all charges incurred for the provision of services by MasterCard, its agents and/or third party service providers including physicians, hospitals, clinics, lawyers, ticket brokers, luxury shops and any other entity providing assistance, goods or services pursuant to a referral by MasterCard or its agent to the Cardholder.
 - (iv) These services or any part thereof may be varied, suspended or withdrawn by MasterCard from time to time. The Bank shall not be liable in any way for any loss, damage or liability arising as a result of the variation, suspension or withdrawal of all or any part of the services provided.