

SPECIFIC TERMS & CONDITIONS FOR HSBC PREMIER

(April 2010 Edition)

EFFECTIVE DATE :

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

These Specific Terms & Conditions are applicable to HSBC Premier accounts and services (other than credit cards) as provided by HSBC Bank Malaysia Berhad ("HSBC") and should be read together with the Generic Terms & Conditions and the Specific Terms & Conditions for Personal Financial Services. Please take the time to read them as they are binding on you.

All such Specific and Generic Terms & Conditions are available on request and on HSBC's website at www.hsbc.com.my.

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

Thank you for banking with HSBC.

SPECIFIC TERMS & CONDITIONS FOR HSBC PREMIER

CLAUSE HEADINGS ARE NOT TO AFFECT THE INTERPRETATION OF THE CLAUSES.

ACCOUNTS

1 ▶ PREMIER ACCOUNT

- a ▶** Interest 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.
- The interest earned (to the nearest sen) will be credited to the account on a monthly basis.
- b ▶** A monthly service fee as stated for the time being in the Bank's Tariff and Charges which can be viewed at www.hsbc.com.my shall be imposed.
- c ▶** The Customer confirms that it 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.
- d ▶** 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.
- e ▶** (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.
- f ▶** 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.
- g ▶** 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.
- h ▶** 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 ▶ PREMIER TIME DEPOSIT ACCOUNT

- a ▶ Deposits will earn simple interest, unless otherwise stated in writing by the Bank.
- b ▶ Subject to the prevailing rules of the Association of Banks in Malaysia (ABM), interest at half the contracted rate will be paid on deposits which are withdrawn before maturity date provided it has been placed for more than 3 months.
- c ▶ All deposits plus interest earned 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.
- d ▶ If the maturity date falls on a non-banking day, it will be automatically adjusted to the next banking day.
- e ▶ Placement by cheque is subject to clearance of the cheque.
- f ▶ The payment of interest, if any, shall be paid:
 - on the maturity date; or
 - at periodic intervals at the Bank's discretion.

3 ▶ PREMIER JUNIOR ACCOUNT

- a ▶ The Premier Junior Account ("**Junior Account**"):
 - is an exclusive savings account for Premier Customers who have a child/children under the age of 18 years old; and
 - maintain the minimum Premier eligibility criteria ("**Eligibility Criteria**").The Eligibility Criteria may be updated from time to time and can be viewed at www.hsbc.com.my.
- b ▶ Although the Junior Account will be registered in the name of the Customer and the Customer's nominated child ("**the Child**"), only the Customer shall be:
 - the holder of the Junior Account; and
 - granted access to the Junior Account to perform banking transactions including ATM, Internet Banking and Telebanking services.In the event such transactions are performed by the Child, it shall be deemed to be performed by the Customer. For avoidance of doubt, all services offered in relation to the Junior Account is for the sole benefit of the Customer unless otherwise stated in writing by the Bank.
- c ▶ The Junior Account is not a trust account and the Child does not acquire any legal and/or beneficial interest in the Junior Account. The Customer agrees that the Bank is not responsible to monitor that the Junior Account is used for its intended purpose by the Customer and the Customer holds the Bank harmless from any claim and shall indemnify the Bank for any losses and damages arising from any such claim.
- d ▶ The Bank reserves the right to close the Junior Account if the Customer fails to maintain the Eligibility Criteria.
- e ▶ In the event the Customer's Premier Account is closed for any reason whatsoever, the Junior Account will consequently be closed and the balance in the Junior Account less any fee will be returned to the Customer.
- f ▶ (i) Notwithstanding paragraphs 3(b) and 3(c) above, a Premier Recognition Card ("**the Card**") will be issued to the Child for the purpose of identifying the Child to the Junior Account. The Card:

- cannot be used to perform any banking transactions;
 - is by no means transferable to any other party; and
 - is the property of the Bank and must be returned to the Bank by the Customer immediately upon the closure of the Junior Account or as and when requested by the Bank.
- (ii) The Bank reserves the right to withdraw at its absolute discretion the Card and/or any benefits from the Card at any time upon the death, bankruptcy or insolvency of the Customer or in such circumstances that the Bank deems fit.
- g ▶ The Customer agrees that the Bank may disclose information on the Junior Account to the Child.
- h ▶ A monthly composite statement for the Junior Account(s) will be issued to the Customer.
- i ▶ So long as the Child is still a minor, the Customer will enjoy interest rates on the Junior Account as stated for the time being in the Bank's Interest Rates Listing on the Bank's website at www.hsbc.com.my. Interest will be calculated on a daily basis and credited into the Junior Account monthly.
- j ▶
 - (i) When the Child reaches the age of majority (18 years of age), the Customer may:
 - close the Junior account and to open a new Premier Account in the joint names of the Customer and the Child; or
 - open a new Premier Account in the sole name of the Customer; or
 - open a new Premier Account in the sole name of the Child; provided that the Eligibility Criteria is met.
 - (ii) If the Junior Account is not dealt with in the manner above within 6 months of the Child attaining the age of majority, the Junior Account will no longer:
 - enjoy the interest rate as stipulated in paragraph 3(g) above; and
 - the prevailing interest rate applicable to a Premier Account will apply.

4 ▶ **PREMIER WITH EASIGROW
(optional for link with the Premier Account)**

- a ▶ Premier Account customers may open a Premier with EasiGrow Account ("**PME**") and:
 - select a time period of three (3), five (5) or ten (10) years ("**Selected Tenure**"); and
 - set up a monthly Standing Instruction ("**SI**") authorising the Bank to transfer a fixed sum subject to a minimum amount of RM50 from the Premier Account to the PME on a specific date every month throughout the Selected Tenure ("**SI Date**").
 The Customer is only required to set up one SI for each PME.
- b ▶ Interest will be calculated on a daily basis and credited to the PME monthly.
- c ▶ No ATM card, chequing facilities and Short Message Service will be provided for the PME.
- d ▶ In accordance with paragraph 4(a) above, the Customer may only set up one (1) SI throughout the Selected Tenure of the PME. No variation or amendment may be made to the sum, mode of payment and Selected Tenure.

Overdraft facility (if any) granted to the Premier Account will not be used to effect the SI.
- e ▶ In addition to the SI to be effected every month, the Customer may directly transfer or deposit any additional sum into the PME anytime during the Selected Tenure.
- f ▶ The Customer agrees that the Bank will execute the SI every month on the SI Date. There will be no contribution to the PME for that month if the Bank cannot execute the SI due to insufficient funds in the Premier Account.

- g** ▶ If the Bank is unable to execute the SI for three (3) consecutive months, the PME shall be closed on the day before the next SI is to be effected unless the Customer has funded the Premier Account with the total amount of the SI which were not earlier effected, for such to be effected to the PME. On closure of the PME, the balance in the PME less any applicable fees shall be transferred to the Premier Account.
- h** ▶ (i) The Customer agrees that for withdrawals from PME:
- Only one (1) withdrawal is allowed per calendar month up to 10% of the total balance in the PME or such other sum as may be notified by the Bank from time to time (the “**Limit**”);
 - it can only be effected from the Premier Account and the Customer must first transfer the requisite sum from the PME to the Premier Account; and
 - it will be subject to the terms and conditions applicable to a Premier Account.
- (ii) In the event the Customer wishes to withdraw a sum in excess of the Limit or makes more than one (1) withdrawal per month from the PME, the PME will be closed and the balance less any fee will be transferred to the Premier Account.
- (iii) Credit balances in the PME are not available for payment of cheques issued under the Premier Account.
- i** ▶ The Customer agrees that a Premature Account Closure Fee as stated for the time being in the Bank’s Tariff and Charges (which can be viewed at www.hsbc.com.my) will be deducted from the PME if it is prematurely closed prior to the expiration of the Selected Tenure due to:
- the Bank’s inability to execute the SI within 3 months in accordance with paragraphs 4(a) and (d) above; or
 - the Customer failing to set up an SI within three (3) months from the date of opening of the PME; or
 - the Customer makes more than one (1) withdrawal per calendar month; or
 - the Customer withdraws an amount in excess of 10% of the total balance of the PME or such other sum as may be notified by the Bank from time to time.

If there are insufficient funds in the PME, the Customer authorises the Bank to deduct the Premature Account Closure Fee from the Premier Account or any other credit balance held with the Bank.

- j** ▶ The Customer can personalise the PME with a name of up to twenty eight (28) characters via Personal Internet Banking (“**PIB**”). The personalised name of the PME will appear on PIB for the Customer’s reference only and is not intended to constitute the PME as a trust account. The Customer agrees that the Bank is not responsible to monitor that the PME is used for its intended purpose (if it is reflected in the name of the account) and the Customer holds the Bank harmless from any claim and shall indemnify the Bank for any losses and damages arising from any such claim.
- k** ▶ At the end of the Selected Tenure:
- the PME will automatically be closed; and
 - the credit balance less any fee will be transferred to the Premier Account.

5 ▶ PREMIER POWERVANTAGE PLUS PLAN

- a** ▶ Premier Account Customers may participate in the Premier PowerVantage PLUS Plan (“**PVA PLUS Plan**”), which consists of:
- (i) Premier with EasiGrow PLUS Account (“**PEPLUS Account**”) and
 - (ii) Unit Trust Investment Account (“**UT Account**”).

The Customer will enjoy free coverage under the Takaful Personal Accident (PA) Certificate (“**PA Coverage**”) underwritten by HSBC Amanah Takaful (Malaysia) Sdn Bhd (“**the Takaful Operator**”) during the Selected Tenure of the PVA Plus Plan subject to the terms and conditions herein and as provided in the Takaful certificate issued by the Takaful Operator.

- b ▶ The Customer may select one of the plans listed in the table below. Once selected, the Bank will transfer the respective portions of the total monthly contribution according to the Customer's Standing Instruction ("SI") from the Customer's Premier Account to the Customer's PEPLUS Account and the UT Account.

The SI will be effected on the 8th day of each calendar month ("SI Date") throughout the tenure of the selected plan ("Selected Tenure"). The Bank has the right to change the SI Date.

PLAN	Tenure (years)	PEPLUS Account (RM)	Unit Trust Investment Account (RM)	Total monthly contribution (RM)	Sum covered (RM)	Period of Takaful Coverage (years)
A	3	250	250	500	18,000	3
B	3	500	500	1,000	36,000	3
C	5	250	250	500	30,000	5
D	5	500	500	1,000	60,000	5

If there are insufficient funds in the Premier Account to effect both the SI for PEPLUS Account and UT Account under the PVA PLUS Plan, priority will be given to the SI for the UT Account.

- c ▶ The Customer agrees that for unit trust investments, a front end fee as stated for the time being in the Bank's Tariff and Charges on the Bank's website at www.hsbc.com.my will be deducted from the monthly unit trust contribution and the balance will be invested in the UT Account in accordance with paragraph 5(b) above.
- d ▶ The Premier PVA PLUS Plan is only available to:
- sole Premier Account Customers; and
 - joint Premier Account Customers whose mandate is either one to sign.
- e ▶ The Customer agrees that no variation may be made to the:
- total monthly contribution;
 - SI Date;
 - mode of payment;
 - Selected Tenure;
 - period of Takaful Coverage; and
 - switching or transfer of unit trust funds.
- f ▶ The PA Coverage will terminate upon premature closure of the PEPLUS Account or redemption of the UT Account prior to the expiry of the Selected Tenure.
- g ▶ For joint accounts, only one of the joint accountholders (as nominated in the account opening form) may enjoy the free PA Coverage.
- h ▶ Standing Instructions ("SI")
- (i) The Bank has the right to change the SI Date if the SI Date falls on a weekend, public holiday or a day where it is a non banking day in Kuala Lumpur.
 - (ii) If the PEPLUS Account or the UT account are closed/redeemed ("the Affected Account") or the SI for either the PEPLUS Account or UT Account is/are cancelled, the SI for the Affected Account will automatically cease. The Customer may continue the SI for the remaining account.
- i ▶ **PREMIER EASIGROW PLUS ACCOUNT**
- The existing Specific Terms and Conditions for Premier with EasiGrow applies except for the following variations:
- (i) In addition to the SI to be effected every month for the PVA PLUS Plan, the Customer may directly transfer or deposit any additional sum into the PEPLUS Account at anytime during the Selected Tenure of the PVA PLUS Plan.

- (ii) If the Bank is unable to execute the SI for three (3) consecutive months, the PEPLUS Account shall be closed on the day before the next SI is to be effected unless the Customer has funded the Premier Account with the total amounts due under the SI which were not effected, for such to be effected to the PEPLUS Account. On closure of the PEPLUS Account, the balance in the PEPLUS Account less any applicable fees shall be transferred to the Premier Account.
- (iii) The Customer agrees that for withdrawals from PEPLUS Account:
- Only one (1) withdrawal is allowed per calendar month up to 50% of the total balance in the PME or such other sum as may be notified by the Bank from time to time (the “Limit”);
 - it can only be effected from the Premier Account and the Customer must first transfer the requisite sum from the PEPLUS Account to the Premier Account; and
 - it will be subject to the terms and conditions applicable to the Premier Account.

In the event the Customer wishes to withdraw in excess of the Limit or makes more than one (1) withdrawal per month from the PEPLUS Account, the PEPLUS Account will be closed and the balance less any fee will be transferred to the Premier Account.

Credit balances in the PME are not available for payment of cheques issued under the Premier Account.

- (iv) The Customer agrees that a Premature Account Closure Fee as stated for the time being in the Bank’s Tariff and Charges (which can be viewed at www.hsbc.com.my) will be deducted from the PEPLUS Account if it is prematurely closed prior to the expiration of the Selected Tenure due to:
- the Bank’s inability to execute the SI within 3 months in accordance with paragraph 5(i)(ii) above; or
 - the Customer failing to set up an SI within three (3) months from the date of opening of the PEPLUS Account; or
 - the Customer makes more than one (1) withdrawal per calendar month; or
 - the Customer withdraws an amount in excess of 50% of the total balance of the PEPLUS Account or such other sum as may be notified by the Bank from time to time.

j ▶ UNIT TRUST ACCOUNT – INVESTMENT SERVICES

The existing Terms and Conditions Governing Investment Services applies except for the following variations:

- (i) The Bank has absolute discretion to decide on the number and type of funds offered under the PVA PLUS Plan at any time.
- (ii) If the Bank is unable to effect the SI:
- on the SI Date due to insufficient funds in the Premier Account, there will be no contribution to the UT Account for that month; and
 - for three (3) consecutive months due to insufficient funds in the Premier Account, the SI for the UT Account will be immediately terminated.
- (iii) Upon maturity of the PVA PLUS Plan, the unit trust funds purchased under the PVA PLUS Plan will remain in the Customer’s UT Account whereby the Terms and Conditions Governing Investment Services will apply.

k ▶ If there is any inconsistency, the terms and conditions shall prevail in the following order:

- (i) the portion of the Specific Terms & Conditions for HSBC Premier on the PVA PLUS Plan;
- (ii) the remaining portion of the Specific Terms & Condition for HSBC Premier;
- (iii) the Terms and Conditions Governing Investment Services; and
- (iii) Generic Terms and Conditions (applicable to all accounts).

l ▶ The Premier PVA PLUS Plan operates as follows:

- (i) If held to maturity:
 - the SI for both the PEPLUS Account and the UT Account will lapse;
 - the PEPLUS Account will automatically be closed and the balance in the PEPLUS Account less any fee will be transferred to the Premier Account;
 - the UT Account will remain and the Customer may redeem the unit trust funds purchased under the PVA PLUS Plan as and when required by the Customer; and
 - the PA Coverage will lapse.
- (ii) If the PEPLUS Account or the UT Account within the Premier PVA PLUS Plan is prematurely closed or redeemed or the SI for either the PEPLUS Account or the UT Account is cancelled, then:
 - the SI for the Affected Account will be terminated. The SI for the remaining account will continue until maturity of the Selected Tenure; and
 - the PA Coverage will lapse.
- (iii) If there is any PA Coverage claim under PVA PLUS Plan and benefits are paid by the Takaful Operator under the terms and conditions of the PA Coverage for sole and joint accounts, then the PA Coverage for such PVA PLUS Plan will no longer apply for the rest of the Selected Tenure.

6 ▶ 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 repayment 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. If the facility is withdrawn, all outstandings, if any, shall be charged at the prevailing unauthorised overdraft rate as determined by the Bank.

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 Premier Accounts, 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 Amanah Malaysia Berhad’s (“**HSBC Amanah**”) selected branches are for the convenience of the Customer. The Bank and/or HSBC Amanah shall not be directly or indirectly responsible or liable for:
- (i) any delays, errors or malfunction in the transmission or receipt of messages sent via the facsimile or internet facilities; or
 - (ii) any loss, damage or injury caused to the Customer during the Customer’s use of the Facilities; or
 - (iii) any acts/omissions of the Customer in using the Facilities, as they do not represent the Bank’s or HSBC Amanah’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 Premier Welcome Pack; and
 - viewed at www.hsbc.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, interest at the Bank’s prevailing unauthorised overdraft rate shall be charged on the overdrawn amount.

HSBC 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.