HSBC Amanah

PRODUCT DISCLOSURE SHEET

Date: _______________

Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information on your Wealth Portfolio Financing-i (WPF-i). Other customers have read this PDS and found it helpful; we encourage **you to read it too**.

1 What is Wealth Portfolio Financing-i (WPF-i)?

Wealth Portfolio Financing-i is a Shariah compliant financing secured by Eligible Assets acceptable to HSBC Amanah Malaysia Berhad ("the Bank") for the purpose of investment in Unit Trust and/or Sukuk. The financing is uncommitted, repayable on demand and callable at any time and is subject to annual review by the Bank. It provides you liquidity to take full advantage of potential investments opportunities that may arise. Eligible Assets are assets which you can charge, pledge, and assign to the Bank as security for the financing, for example: MYR/Foreign Currency Time Deposit ("TMD")/ Term Deposit-i ("TD-i"), Unit Trust and Sukuk.

The applicable Shariah concept is Commodity Murabahah (cost plus profit). Under this concept, You will appoint the Bank as Your agent to buy on Your behalf, Shariah-compliant-commodities traded on commodities trading platform from the Bank as seller at the Bank's selling price (i.e. cost price plus profit at the applicable profit rate p.a.). After that, You authorize the Bank as Your agent to sell the Shariah-compliant commodities which You have bought, at cost price to commodities trading platform. This cost price represents the facility amount under the WPF-i which will be disbursed into Your Wealth Portfolio Financing-i Account ("WPFA").

Read more on the Shariah concept in the accompanying Terms and Conditions.

2 Know Your Obligations

It is your responsibility to read these key terms:

You are required to pay us the amount due in accordance with the letter of offer which consists of the followings:
1. The financing amount you have drawn down and that remains outstanding; and
2. any fees, charges, costs and/or expenses incurred in connection with your financing.

- You may pay all or part of your financing, and any other amounts due, such as profit/Profit Cost and fees, at any time by transferring money to your Wealth Portfolio Financing-i Account ("WPFA") or by selling any Secured Asset (Eligible Assets that have been charged, pledged or assigned to us as security for the loan). Please not that any money transferred to your WPFA will be used to pay what You owe us unless You tell us otherwise in advance.
- The proceeds from the sale of any Secured Asset will automatically be credited to your WPF-i financing account(s).
- You must monitor your Financing to ensure it is secured by sufficient collateral, i.e. Secured Assets.
- If you wish to replace your existing Secured Assets with other Eligible Assets, please engage your Relationship Manager.
- Read more on your tax obligation in the accompanying Terms & Conditions.

Fees & Charges	Description
Stamp Duty	Stamp duty is payable on the WPF-i financing documentation. The amount of stamp duty payable is subject to the Stamp Act 1949 and its amendments, including any applicable stamp duty exemption or remission orders, if any, as may be granted from time to time.
Stamping Fees	Stamping fees will be levied by the appointed stamping agent who submit the WPF-i financing documentation for stamping.
Late Payment Compensation	You will be charged 1% per annum on any overdue payment for your financing.

3 Know Your Risks

There are risks associated with WPF-i. Read the risks disclosure in the accompanying Terms and Conditions.

4 Other Key Terms

A. Net Margin Ratio (NMR)

This is the ratio of the available margin to the required margin expressed as a percentage. It determines your margin status and ensures there is an appropriate margin or difference between:-

(a) the Collateral Value of your Secured Assets with us; and
(b) the total amount you have utilized under your financing.

Your Net Margin Ratio must be 100% or more at all times. In the event your account's NMR declined lower than 100%, you must regularize your account within the specific timeline, failing which the Bank may proceed with force liquidation of your secured assets to regularize your account NMR.

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Net Margin Ratio (NMR) Calculation: Net Margin Ratio = Available Margin / Required Margin

Read more from the accompanying Terms & Conditions.

B. Eligible Investment Amount, Minimum Financing Amount and Minimum Investment Amount:

Please refer to the below table with regard to the Eligible Investment products that may be purchased with WPF-i, Minimum Financing Amount, Minimum Investment Amount and Requirements / Conditions for Wealth Portfolio Financing-i:

Eligible Investment products	Minimum Financing Amount	Minimum Investment Amount
Unit Trust/ Sukuk Note: Only Shariah compliant investment products will be purchased under this facility	MYR100,000 equivalent in Foreign Currency.	Please refer to the product highlight sheet for the relevant investment.

Requirements/Conditions

- Subscribed/purchased investments are automatically placed in your existing Unit Trust and/or Sukuk Investment Accounts.
- Investments subscribed/purchased using a financing cannot be pledged as collateral to increase your facility limit.
- Your dividends for Unit Trust are reinvested into the respective Unit Trust holdings. This does not apply to Sukuk profit payments.
- Upon obtaining the Bank's approval, you may sell your investments placed in your existing Unit Trust and/or Sukuk Investment Accounts that have been pledged to the Bank. The sales proceeds shall be converted at the prevailing exchange rate, and credited into your WPFA, to offset any outstanding balance in your WPFA.
- The effective facility limit will automatically be reduced or cancelled accordingly upon the sale of the secured assets held in your existing Unit Trust and/or Sukuk Investment Accounts.

C. Facility Limit:

- The maximum facility limit is capped at RM10 million or its equivalent in foreign currencies.
- The maximum facility limit that could be granted to you is capped at the lower of your net worth or your maximum facility limit net-off against your outstanding foreign currency financing.

D. Effective Facility Limit:

- Your "Effective Facility Limit" is the aggregated Collateral Value (CV) of your Financing, or the Facility Limit, whichever is lower.

Your Effective Credit Limit and your margin status are updated daily. You can find your Effective Facility Limit in your account statement. Collateral Value is the monetary amount derived from the Advance Ratio ("AR") and Market Value ("MV") of assets held as collateral.

Collateral Value = Market Value x Advance Ratio

E. Available Limit:

- The Facility Limit or the Collateral Value of all assets held as Collateral, whichever is LOWER, minus any Outstanding Liabilities.

F. Product Currency:

- Financing currency is available in USD, CHF, JPY, SGD, AUD, GBP and EUR
- The currency of each financing need not be the same as the currency of the eligible assets pledged to the Financing.
- However, cross currency haircut will be applicable for any mismatch in currencies between eligible assets pledged against financing facility.

G. Profit Rate:

- Profit is calculated on a daily rest basis and it will be charged based on the currency you drawdown. We will debit the profit into your financing account every month on the 26th of each month, or if that date is a Saturday, Sunday or public holiday in Malaysia, profit to be debited on the business day before that date.
- Profit Rate Formula: Risk Free Rate (RFR) / Central Bank Base Rate (CBBR) + Spread (LP + Profit Margin)

If you have any questions or require assistance regarding Wealth Portfolio Financing-i, you may:

Call us at
03-88942811

Visit us at:
https://www.hsbcamanah.com.my/investments/products/wealth-portfolio-financing/

Email us at:
complaints@hsbc.com.my

Customer's Acknowledgment*

Ensure that you complete this section yourself and understand what you are signing.

☐ I acknowledge that HSBC Amanah has provided me with a copy of this PDS.

☐ I have read and understood the key information contained in this PDS and the Bank's public website https://www.hsbcamanah.com.my/investments/products/wealth-portfolio-financing/.

**A customer's acknowledgement of this PDS shall not prejudice his/her rights to seek redress in the event of subsequent dispute over the product terms and conditions.*

Name:
Date: