

Cash Instalment Plan Terms and Conditions

1. The Cash Instalment Plan (“CIP”) offer of The Hongkong and Shanghai Banking Corporation Limited (the “Bank” or “HSBC”), is open until terminated by the Bank, to selected credit card holders of the Bank excluding holders of corporate credit cards and staff members of HSBC (the “Cardholder/s”).
 2. The CIP facility allows the Cardholder to avail a cash advance facility on his/her HSBC credit card (“Card”), excluding corporate cards, up to a maximum of 90% of the Card limit subject to the available balance of the Card. This pre-determined percentage is subject to the sole decision of the Bank.
 3. The Cardholder could borrow up to a minimum of Rs 50,000/- and a maximum up to 90% of the Card limit subject to the available balance of the Card and the conditions mentioned in clause 2 above.
 4. The installments would be debited to the Card of the Cardholders in equal monthly installments. The Monthly installment would consist part of the principal amount and a part of the interest amount. The CIP facility will be in the form of a straight-line loan calculation methodology and the interest rate will be fixed for the tenure selected.
- An Example of the method the CIP instalments would be billed to the Cardholder is shown below.
 - ❖ CIP principal amount LKR 100,000/-
 - ❖ Handling fee of 9.5% equivalent to an interest rate at 17.10%
 - ❖ Tenure 12 Months

<u>MONTH</u>	<u>MONTHLY INSTALMENT</u>	<u>MONTHLY INTEREST</u>	<u>CAPITAL</u>	<u>OUTSTANDING BALANCE</u>
1	9,125	1,425	7,700	92,300
2	9,125	1,315	7,810	84,490
3	9,125	1,204	7,921	76,569
4	9,125	1,091	8,034	68,534
5	9,125	977	8,148	60,386
6	9,125	860	8,265	52,121
7	9,125	743	8,382	43,739
8	9,125	623	8,502	35,237
9	9,125	502	8,623	26,614
10	9,125	379	8,746	17,868
11	9,125	255	8,870	8,997
12	9,125	128	8,997	-

5. The CIP amount will be provided based on Cardholder’s verbal confirmation in the form of a Sri Lankan Rupee HSBC Cashiers Order (the Cashier Order) or transferred to an HSBC Sri Lankan Rupee account or into another local bank in favor of the Cardholder by debiting the Card.
6. Cardholder’s CIP value of Rs 500,000/- and below must be transferred to Cardholder’s any other bank personal account maintained in Sri Lankan rupees by way of SLIPs transfer method. Cardholder is responsible for the accuracy of the account number shared and the Bank shall not be held responsible for any losses incurred due to incorrect account number or any other errors of such nature made by the Cardholder.
7. The CIP proceeds shall not be used to settle off the Cardholders existing Card outstanding balance.
8. The minimum Card payment shall consist of a combination of monthly installment and the standard calculation methodology for the minimum payment due. The Cardholder acknowledges that the payments made by him/her to his/her Card will be applied in accordance with the payment hierarchy in the Credit Card terms and conditions. (Cardholder Agreement)
9. The available credit limit on the Card account will be utilized to the extent of the principal amount of the CIP. Interest related to the CIP facility will be debited monthly to the Card on the CIP installment due date.
10. The Cardholder shall ensure to have sufficient credit available for the monthly CIP interest to be debited to the Card; in the event the available credit balance is insufficient for the CIP interest recovery, Card account balance will reach

more than the assigned credit limit and may result in over limit charges in accordance with the Cardholder Agreement.

11. The CIP monthly instalment will be billed to the Cardholder on the immediate next statement date following Bank's approval of the Cardholder's CIP even if the Cardholder has yet to receive the CIP amount or the CIP amount has not been utilized by the Cardholder.
12. The plan will be reflected in the Card statement as a regular purchase transaction each month. (E.g. – Cash Installment plan 1 of 12 installments) and will be liable for finance charges when applicable. (Cardholder Agreement)
13. HSBC reserves the right to foreclose the CIP outstanding and debit the entire outstanding amount if the Cardholder defaults on payment of any of the installments.
14. Payments made in excess of the Card outstanding will not automatically be adjusted against unbilled installments and will not result in prepayment of the CIP facility.
15. If the Cardholder wishes to settle the CIP facility before the due period, the Cardholder should inform HSBC in writing of his/her intention to close the CIP facility on the card account. In such an event, a 4% early settlement fee shall be applicable from the remaining capital outstanding of the CIP.
16. If the Cardholder wishes to cancel the CIP facility, the customer can make arrangements to settle CIP outstanding to the Card account and contact the customer service hotline to provide voice instructions to do so. In the event the CIP funds are sent to the Cardholder by way of a Cashier's Order and the Cardholder has not encashed same, Cardholder should visit any HSBC branch and hand over an indemnity form (Bank template) and/or the Cashier's Order to cancel the facility along with a request letter.
17. If the Cardholder closes the Card before all applicable installments are posted the Card account, the outstanding CIP capital amount will be debited to the Card account as one consolidated CIP.
18. Cardholders should not hold HSBC responsible for or liable for, any actions, claims, demands, losses, damages, costs, charges, and expenses that a Cardholder may suffer, sustain or incur by availing the CIP facility.
19. The Terms and Conditions of this offer shall be in addition to and not in derogation of the terms and conditions contained in the Cardholder Agreement. This offer is by way of a special facility for Cardholders and nothing contained herein shall prejudice or affect the terms and conditions of the Cardholder Agreement.
20. The decision of the Bank, on all matters relating to this offer including but not limited to disputes, is final and binding on all Cardholders of this offer.
21. By participating in this offer, the Cardholder agrees to be bound by these Terms and Conditions and the decisions of the Bank.
22. HSBC at its sole discretion reserves the right to modify, change or withdraw all or any of the Terms and Conditions, herein contained, applicable to this Offer at any time without notice to the Cardholders.
23. Nothing herein amounts to a commitment or representation by HSBC to conduct similar offer in the future.
24. These Terms and Conditions shall be governed and construed by the laws of Sri Lanka and shall be subject to the exclusive jurisdiction of the Courts of Sri Lanka.