

## Terms and Conditions for Spending Instalment Plan applicable to Personal Credit Card Cardholders

### 1. Eligibility for the Instalment Plan

- (a) You are eligible to apply for the Spending Instalment Plan only if you hold a personal credit card issued by us (whether a primary or an additional credit card). However, the Spending Instalment Plan is not available to a US\$ Visa Gold Card, an undergraduate credit card, a private label card or the RMB sub-account of a UnionPay Dual Currency credit card or HSBC Pulse UnionPay Dual Currency Diamond Card.
- (b) The Spending Instalment Plan is provided subject to these Terms and Conditions which shall be in addition and supplementary to the Credit Card Terms. By applying for the Spending Instalment Plan by any means, you are considered to have accepted these Terms and Conditions and the Credit Card Terms (as supplemented) in full and will be bound by them. The provisions in these Terms and Conditions prevail over the provisions in the Credit Card Terms to the extent of any inconsistency between them.
- (c) We will decide whether to approve your application for the Spending Instalment Plan having regard to the status and repayment history of your Card Account. We have the right to approve or reject your application and to suspend or terminate the Spending Instalment Plan without any giving reason or prior notice. We have the final decision on all matters and disputes relating to the Spending Instalment Plan.

### 2. Scope and operation

- (a) Only posted purchase transactions effected with a Card qualify for the Spending Instalment Plan. Other transactions do not qualify and these transactions include the following:
  - (i) any unposted, cancelled or refunded transaction;
  - (ii) cash advance;
  - (iii) instalment plan;
  - (iv) Octopus AAVS (Octopus Automatic Add-Value Service);
  - (v) withdrawal amount under a cash instalment plan and/or a cash credit plan;
  - (vi) gambling transaction;
  - (vii) purchase and/or reload of stored value cards or e-Wallets;
  - (viii) transaction at financial institutions (including purchase of merchandise and services from banks);
  - (ix) transaction at non-financial institutions (including purchase of foreign currency, money orders and travellers cheques);
  - (x) wire transfers; and
  - (xi) all fees and charges.
- (b) An application for the Spending Instalment Plan must be:
  - (i) for at least HK\$1,000 and may cover one or more posted purchase transactions effected using a Card ("Purchase"). Purchase billed to an additional Card Account or a private label card under the primary Card Account can be combined with Purchase billed to the primary Card Account for the purpose of an application by a primary cardholder. However, Purchase billed to a primary Card Account, other additional Card Accounts or private label card under the same primary Card Account cannot be combined with Purchase billed to the additional Card Account for the purpose of an application by an additional cardholder; and
  - (ii) made by you at least 3 working days before the payment due date of the relevant Purchase.
- (c) You should ensure that the total of (i) all outstanding balance in your Card Account (including all unbilled balance) and (ii) all payable handling fees does not exceed the approved credit limit of your Card Account at any time.
- (d) If we approve your application for the Spending Instalment Plan, we will withhold from the credit limit on your Card Account an amount equal to the total of (i) the approved Purchase amount ("**Approved Amount**") and (ii) all payable handling fees for the entire Instalment Period. We will calculate the amount of each instalment repayment by dividing the Approved Amount by the number of months in the Instalment Period plus the applicable handling fee (collectively, "**Repayment Amount**"). The credit limit on your Card Account will be restored progressively as the Repayment Amounts are actually received by us.
- (e) We will bill each Repayment Amount to your Card Account on a monthly basis as a transaction and show it on the Card statement. Each Repayment Amount is treated in the same way as a purchase transaction billed to your Card Account. You should pay it in the same manner as other purchase transactions. We will bill the first Repayment Amount along with an applicable one-off handling fee to your Card Account upon approval of your application for the Spending Instalment Plan and will show it in the first Card statement following the approval.

### 3. No cancellation but may repay early

- (a) You cannot cancel the Spending Instalment Plan after your application is approved by us, unless you repay in full the total amount of all remaining unpaid Repayment Amounts plus any interest and handling fee. You have to give us at least 14 working days' prior written notice and pay an administration fee of HK\$300.
- (b) You may make early repayment in full. We do not accept partial early repayment. You cannot revoke a notice for early repayment without our consent. We will not refund any paid handling fees even if you make early repayment.

### 4. Handling fees

Upon approval of your application for the Spending Instalment Plan, we will charge a monthly handling fee on the Approved Amount or a one-off handling fee, as applicable. The rate of the handling fee is specified in the marketing materials or other notices provided by us from time to time relating to the Spending Instalment Plan.

### 5. Termination of your Card

If your Card is cancelled or terminated for any reason during the Instalment Period, the total amount of all remaining unpaid Repayment Amounts and any payable interest become immediately due and payable by you.

### 6. Staff's remuneration

The remuneration for our sales staff is determined based on the staff's overall performance with reference to a wide range of factors, and is not determined solely on his financial performance. Sales staff's remuneration is subject to review from time to time, for the purpose of encouraging the building of deep, long-lasting and mutually valuable relationships with customers.

### 7. Variation of these Terms and Conditions

We have the right to vary the handling fee and these Terms and Conditions from time to time. We will give you notice in a manner we consider appropriate. You will be bound by a variation unless we actually receive full payment of the total amount of all remaining unpaid Repayment Amounts plus any payable interest and handling fee before the date on which that variation takes effect.

### 8. Miscellaneous

- (a) We are not liable for the goods and services provided by any merchants.
- (b) Our provision and your use of the Spending Instalment Plan are subject to any applicable regulatory requirements.

### 9. Third party rights

No person other than you and us will have any right under the Contracts (Rights of Third Parties) Ordinance to enforce or enjoy the benefit of any of the provisions of these Terms and Conditions.

### 10. Governing law, jurisdiction and version

- (a) These Terms and Conditions are governed by and will be construed according to Hong Kong laws.
- (b) You submit to the non-exclusive jurisdiction of the Hong Kong courts.
- (c) The English version of these Terms and Conditions prevails to the extent of any inconsistency between the English and the Chinese versions. Any Chinese version of these Terms and Conditions is for reference only.

### Definitions

**Spending Instalment Plan** means the Spending Instalment Plan offered by us from time to time.

**Approved Amount** is defined in Clause 2(d).

**Card** means the credit card issued by us and approved by us for the Spending Instalment Plan.

**Card Account** means the account established in respect of a Card for recording Card transactions and other items. If a Card is a UnionPay Dual Currency credit card or HSBC Pulse UnionPay Dual Currency Diamond Card, Card Account consists of a Hong Kong dollar sub-account and a Renminbi sub-account.

**Credit Card Terms** means the relevant credit card terms governing your Card.

**Hong Kong** means the Hong Kong Special Administrative Region of the People's Republic of China.

**Instalment Period** means the period of the Spending Instalment Plan specified by you on the application form and approved by us.

**Purchase** is defined in Clause 2(b)(i).

**Repayment Amount** is defined in Clause 2(d).

**we, us, our** means The Hongkong and Shanghai Banking Corporation Limited and its successors and assigns.

**you or your** means the person to whom we issue a credit card (whether a primary or an additional credit card) that is eligible for the Spending Instalment Plan.

Effective from 15 January 2023

NOTE: In case of discrepancies between the English and Chinese versions, the English version shall apply and prevail.

To borrow or not to borrow? Borrow only if you can repay!

Issued by The Hongkong and Shanghai Banking Corporation Limited