

Advance Proposition

Terms and Conditions

Conditions of Use

The Advance Proposition is governed at all times by:

- i. these Advance Proposition Terms and Conditions;
- ii. the General Terms and Conditions – Accounts (the “General Terms”), in case you are a consumer in terms of the Consumer Affairs Act (Chapter 378 of the Laws of Malta) or a micro-enterprise as defined in paragraph 3 of the Business Promotion Regulations, 2000; or the General Terms and Conditions (Corporate Opt-Out) – Accounts, in case you are a non-micro-enterprise (i.e. you exceed the conditions for qualification as a micro-enterprise in terms of paragraph 3 of the Business Promotion Regulations, 2000); and
- iii. all other terms and conditions governing the relevant transactions, dealings, services, products, information, goods, benefits or privileges, together hereinafter referred to as the “Terms”.

In these terms and conditions 'HSBC Advance Proposition' refers to the HSBC Advance package consisting of the HSBC Advance Account (which refers to any savings or current account you hold with us), HSBC Advance Platinum Credit Card, HSBC Advance Debit Card and any other card issued in the future which bears the same, similar or enhanced characteristics of the cards named herein as well as any ancillary benefits which may exist from time to time.

1.1 Eligibility: As from September 2016, to qualify for HSBC Advance, customers must receive into their account a minimum net income of €25,000 every calendar year if applying as a sole customer or, a joint net income of €35,000 every calendar year if applying jointly with another person.

For the purpose of this requirement "income" is defined strictly as:

- a. salary that is directly credited to your account by your employers;
- b. direct credits to your account originating from Rental income, Interest coupons and/or dividends affected via SEPA Payments;
- c. HSBC Interest, coupons and/or dividend payments;
- d. salary or other employment income credited through Personal Internet Banking (PIB);
- e. rental income credited through PIB;
- f. cheque deposits greater or equal to €500.

1.2 Fusion: As from October 2017, HSBC Fusion Sole Traders can also benefit from the HSBC Advance Proposition through their Personal and Business relationship. HSBC Fusion Sole Traders must earn a minimum net income of €25,000 every calendar year and transfer this income from their Fusion account into their personal account.

1.3 Fee: Customers having applied for the HSBC Advance Proposition prior to September 2016 can retain the Advance Proposition even if they are not meeting the above criteria, but subject to the payment of the monthly fee. This fee will be debited monthly from any of your savings or current accounts held with us. In case you wish that we debit this monthly fee from a particular account, you are to inform us accordingly. If you have informed us which particular account is to be debited please note that should there be insufficient funds in such account the Bank will debit any other account in credit held in your name. Furthermore,

the Bank reserves the right to terminate your existing product or switch your current product to the most suitable alternative, in line with the respective terms and conditions if you do not regularise your position with the Bank within 60 days from the date of the first notification by the Bank that a payment could not be effected. Details of the Advance Proposition fee can be found on the Advance Proposition application form or can be obtained from any one of our branches or on our dedicated website. Customers currently paying this monthly fee and who meet the eligibility criteria in section 1.1 can at any point in time apply to benefit from the new Advance Proposition (offered at no cost as explained under 1.1 above) by going into one of our HSBC branches. Once you switch to the new proposition, the Terms and Conditions of eligibility under 1.1 will apply.

The Bank reserves the right to remove your Advance status if you no longer meet the aforementioned eligibility criteria.

- 2. Minimum Balance Fee:** We will charge a Minimum Balance fee of €10.00 per quarter if the average of the combined balances of an account holder's savings and current accounts does not exceed €200 during the previous

quarter. New Customers will be exempt from this charge for 6 months from the date on which they become customers of HSBC Bank Malta p.l.c. When applicable the charge will be applied to the account holder's current or savings account immediately after the end of the previous quarter. Customers who hold any of the following accounts or products in their name, or jointly with others, are exempted from this charge:

- any type of Term Deposit account;
- ATM accounts;
- student accounts, Minor accounts and Karus accounts;
- Treasurer accounts and Philanthropic accounts;
- any type of borrowing facility, including any type of loan, Overdraft and Home Loan;
- Credit Cards (main account holder only);
- any holdings of HSBC Global Asset Management (Malta) Limited products;
- any holding, policy or plan with HSBC Life Assurance (Malta) Limited.

If an account is closed within 6 months from the date it was opened an administration charge of €10.00 will be levied.

3. Term & Termination:

- 3.1 If you are benefiting from the HSBC Advance Proposition as a result of meeting the eligibility criteria detailed in section 1.1 above, you can at any time choose to cancel the proposition. The HSBC Advance Proposition may also be removed by the Bank if you no longer meet the above mentioned eligibility criteria as detailed in section 3.4 below.
- 3.2 If you have applied for the HSBC Advance Proposition before September 2016 and are benefiting from the HSBC Advance Proposition against the monthly fee, your HSBC Advance Proposition and any of the Terms applicable to the HSBC Advance Proposition have an initial fixed term of 12 months from the date we first provided you with the Advance Proposition to you. These Terms would be renewable on a monthly basis after this time. A monthly fee applies to this service and you agree that we may debit the applicable monthly fee for the HSBC Advance Proposition from your HSBC Advance Account each month for the fixed 12 month period. After the end of

such 12 month period you agree that we can continue to debit the applicable monthly fee unless you tell us you no longer require the HSBC Advance Proposition.

For the purposes of this clause a "month" means the period covered by your monthly charging period which is usually the same as your monthly statement period.

You may decide to terminate the entire HSBC Advance Proposition within the first 14 days from opening of the HSBC Advance Account or from receiving the Terms applicable to the HSBC Advance Proposition, whichever is the latest, or following the lapse of the initial fixed term of 12 months.

You can do this by going into one of our branches. For applications completed by telephone, the cancellation period will start from the date you receive the Terms applicable to the HSBC Advance Proposition in the post. Any monthly fees you have already paid will be refunded to you proportionately up to the date of termination and no future fees for the HSBC Advance Proposition will be deducted.

The HSBC Advance Proposition may also be removed by the Bank if you fail to pay the above mentioned monthly fee for 3 consecutive months. Please also refer to clauses 3.4 and 3.5 below.

3.3 Subject to the above conditions, you may terminate the HSBC Advance Proposition by going into one of our branches.

- a. You must destroy any unused cheques and all cards bearing the Advance mark by cutting them through the magnetic stripe appearing at the back.
- b. Any such termination will bring to an end these Advance Account Terms & Conditions as well as the Terms in so far as they apply to the HSBC Advance Proposition.
- c. In case of cancellation/termination of the HSBC Advance Proposition, no charge for cancellation/termination will be levied by us, provided you are a 'consumer' in terms of the Consumer Affairs Act (Chapter 378 of the Laws of Malta).

3.4 We may terminate this agreement or cancel or suspend the HSBC Advance Proposition or the use of a Card at any time by giving you 60 days prior notice in writing or such other shorter notice period as may be allowed by law, advising you of the Terms and Conditions including any fees of the new Programme (as applicable). This notice period however shall not apply where the HSBC Advance Proposition, the Card, the Account or the Rewards Programme has

been or is likely to be misused or in the event of any other serious reason including breach, or possible breach, by you of any of the HSBC Advance Terms and Conditions including failure to meet the eligibility criteria or failure to pay the monthly fee (as applicable), in which case termination, cancellation or suspension will be immediate. Please refer also to the full "Term & Termination" conditions set out in clause 3.

3.5 In the event that your HSBC Advance status is withdrawn or terminated either by you or by the Bank, any benefits and any credit limits enjoyed under the HSBC Advance proposition will be revoked and new, benefits, charges and credit limits (if any) of the new proposition will be provided. Immediately upon any such withdrawal or termination, any preferential discount on interest rate granted on loans and other credit facilities as a result of such status, if any, will also be revoked and changed to the standard retail interest rate quoted on the sanction letter or other terms of the facility.

3.6 With regards to the Advance Rewards Programme, we reserve the right to immediately terminate or suspend your participation in

the Programme and to deduct any Rewards Points you or any additional cardholder have earned if you have not observed these Terms and Conditions or are in breach of your HSBC Advance Card Conditions of Use or any other agreement with us. Moreover, should the Bank determine that the Programme is not being used by you for personal purposes, the Bank reserves the right to cancel your existing Proposition or switch you to another Programme at any time by giving you at least 60 days advance notice in writing which would include advising you of the Terms and Conditions including any fees of the new Programme (as applicable). Switching would entail that all benefits and any credit limits enjoyed under your present Proposition are revoked and new benefits, charges and credit limits (if any) of the new Programme provided.

4. Conflict of Interest

A Conflict of Interest ("Conflict") is a situation or arrangement where HSBC Group, or a company with which it has an association, ("HSBC") and/or any of its employees is subject to multiple influences, the competition of

which might adversely affect decision-making or outcomes in the course of conducting business. HSBC has established procedures which are designed to identify and manage such conflicts. For further information, refer to the HSBC Conflicts of Interest Policy Summary as per below link.

<https://www.hsbc.com.mt/documentsandtariffs>

5. Transferring Rights and Obligations

We may transfer all or any of our rights in relation to your account.

We may also transfer any of our obligations to someone we reasonably consider capable of performing them. This includes us appointing another HSBC Group company as our agent (i.e. to act on our behalf) for debt recovery purposes. You may not transfer any of your rights or obligations in relation to your account or transfer or assign any account or deposit.

6. Collection, Processing and Sharing of Customer Information

Your privacy is important to us. We'll use your information and that of any additional Cardholder/ Additional User as explained in our Privacy Notice, in accordance with data protection legislation and other applicable legislation.

By using the Card, you explicitly consent to us accessing, processing, and retaining any information you provide to us, for the purposes of providing services to you. This does not affect any rights and obligations you or we have under data protection legislation.

Our Privacy Notice explains how we collect, use, disclose, transfer, and store your information and sets out your rights to your information. We have provided our Privacy Notice to you separately and will inform you when we make any changes to it. You can also find this at www.hsbc.com.mt or you can ask for a copy in any branch.

Where you give us any information about another person connected to your account such as the additional Cardholder/ Additional User, you must tell them what information you have given to us, and make sure they agree that we can use it as set out in the Privacy Notice.

Furthermore, where the Principal Account Holder holds other HSBC accounts in other jurisdictions, information held may be shared between such other jurisdictions for Customer Due Diligence purposes.

Please also note that for the purpose of HSBC being able to satisfy its obligations under the Banking Act of 1994 and the Professional Secrecy Act of 1994, you hereby give your express consent to us sharing your information with other members of the HSBC group (HSBC Holdings plc, and or any of its affiliates, subsidiaries, associated entities, and any of their branches or offices) and any other third parties. The way we share and process your information is explained in our Privacy Notice.

7. Miscellaneous

- 7.1 Please note that within this Advance proposition, insurance cover will be provided even to customers who do not require such insurance cover. This cover will be free and will remain until you remain eligible to benefit from this proposition.
- 7.2 We have the right to change the benefit of the insurance cover and the service providers relating to the insurance cover, including but not limited to the insurance underwriters and the brokers.

8. How to Complain

If the Bank does not deliver the standard of service you expect, or if you think we have made a mistake, please let us know. The Bank will investigate the situation and, if necessary, seek to resolve the issue as quickly as possible. Where appropriate the Bank will also take steps to prevent a recurrence.

The Bank has the following complaint handling procedures:

- Your HSBC first points of complaint at HSBC are:
- Contact Centre:
+(356) 2148 9101 or via Personal Internet Banking message
- Branches: Branch Managers or Relationship Managers
- Mail:
Customer Experience Team,
Customer Value Management,
HSBC Bank Malta p.l.c.,
RBWM Building, Mill Street,
Qormi QRM 3101,
Malta.

- You can also ask for your case to be reviewed by management at a higher level within the Bank if you are not satisfied. Please write to:
The Head of Customer Experience,
Customer Value Management,
HSBC Bank Malta p.l.c.,
RBWM Building,
Mill Street,
Qormi QRM 3101,
Malta.
- If despite our best efforts, you are not entirely satisfied with our handling, you have the right to refer the matter to the Office of the Arbiter for Financial Services:
First Floor,
St Calcedonius Square,
Floriana FRN5130,
Malta
Or
Email:
complaint.info@financialarbiter.org.mt

HSBC Bank Malta p.l.c. is a member of the HSBC Group, one of the world's largest banking and financial services organisations with more than 3,800 offices in 66 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa.

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