

Card Balance Conversion Plan

Terms and conditions

1. The Card Balance Conversion Plan (“CBC”) is made available by The Hongkong and Shanghai Banking Corporation Limited (the “Bank” or “HSBC”) to the credit card holders of the Bank, excluding corporate credit cards (the “Cardholder/s”) and can be withdrawn or amended at any time by the Bank, at the sole discretion of the Bank.
2. The minimum transaction value to be eligible for this programme shall be LKR25,000/- and the maximum transaction value shall be LKR400,000/-. (Referred hereafter as “eligible transaction”)
3. An eligible transaction can be converted to the CBC only within 90 days from the transaction purchase date unless specified otherwise for specific promotions.
4. The eligible transaction can be converted to a 3, 6, 12 or 24 month instalment plan along with a nominal handling fee decided by the Bank.
5. The credit limit on the credit card account will be reduced to the extent of the principal amount of the CBC and handling fee availed and will be released as and when the monthly installments are billed and paid for in the subsequent months.

The minimum payment due on the credit card shall consist of a combination of the monthly installment and 4% of the outstanding balance due on the credit card. The Cardholder acknowledges that the payments made by him/her to his/her credit card will be applied in accordance with the payment hierarchy in the Credit Card Terms and Conditions. (Cardholder Agreement) (Found through <http://www.hsbc.lk/1/2/personal/credit-card/quick-consumer-guide>)

An example of the method the CBC instalments would be billed to the Cardholder is shown below.

CBC principle transaction amount LKR 100,000/-
Handling fee LKR 9900/-
Tenure 12 Months

Month	Monthly Instalment	Monthly Handling Fee	Monthly Principle	Outstanding Principle Balance
1	9158.33	1,475.10	7,683.23	92,316.77
2	9158.33	1,376.10	7,782.23	84,534.54
3	9158.33	1,253.95	7,904.38	76,630.16
4	9158.33	1,136.58	8,021.75	68,608.41
5	9158.33	1,017.50	8,140.83	60,467.58
6	9158.33	896.68	8,261.65	52,205.92
7	9158.33	774.08	8,384.25	43,821.67
8	9158.33	649.70	8,508.63	35,313.05
9	9158.33	523.50	8,634.83	26,678.22
10	9158.33	395.46	8,762.87	17,915.35
11	9158.33	265.55	8,892.78	9,024.60
12	9158.33	133.73	9,024.60	(0.00)

6. The CBC monthly instalment will be billed to the Cardholder on the immediate next statement date.
7. If the Cardholder defaults on payment of any of the installments, HSBC reserves the right to foreclose the CBC outstanding and debit the entire outstanding amount.
8. Payments made in excess of the credit card outstanding will not automatically be adjusted against unbilled installments and will not result in prepayment of the CBC facility.
9. In case the Cardholder wishes to settle the CBC plan before the due period the Cardholder should inform HSBC in writing of his/her intention to close the CBC plan on the credit card account. In such event of an early settlement, a 4% early settlement fee shall be applicable from the remaining CBC capital outstanding amount.
10. If the Cardholder closes his credit card before all applicable installments are posted to the credit card account, the outstanding CBC amount will be debited to the credit card account as one consolidated amount.
11. 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 CBC facility.
12. 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.

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.

13. By participating in this offer, the Cardholder agrees to be bound by these terms and conditions and the decisions of the Bank.
15. These terms and conditions shall be governed and construed by the laws of Sri Lanka and the courts of Sri Lanka shall have the exclusive jurisdiction over any matter hereto.