

# HSBC UAE Flexi Instalment Plan (FIP) Terms and Conditions

These Terms and Conditions apply if you have taken a Flexible Instalment Plan. Defined Terms used in these Terms and Conditions shall have the same meaning as set out in the HSBC Credit Card Agreement Terms unless specified otherwise.

## 1. Flexi Instalment Plan

### 1.1 What is Flexi Instalment Plan?

Flexi Instalment Plan is a feature which allows you to repay one of your purchases made in the current billing cycle or the last statement billing cycle from an eligible merchant in instalments over a fixed term.

### 1.2 How do I show that I agree to these terms governing Flexi Instalment Plan

You may agree to these terms by:

- a) verbally agreeing with our agents over the telephone on a recorded line;
- b) online or via any other electronic channels (including E-mails, SMS, merchant website app, Personal Internet Banking or Mobile Banking); or
- c) by using the Flexi Instalment Plan (your use of the Flexi Instalment Plan is deemed acceptance of these Terms).

You agree that any electronic method of acceptance shall constitute your acceptance of our terms, and changes to our terms, as if you had accepted in writing and all relevant Laws and regulations applicable to acceptance of contracts via electronic methods will apply. By accepting these terms you also agree to our Schedule of Services and Tariffs (as amended from time to time) which is available on our website.

### 1.3 Are there any other terms that also apply?

Yes. The Credit Card Agreement Terms and Personal Banking General Terms and Conditions also apply but if they conflict with these terms then these terms will apply.

### 1.4 How do I apply for this plan?

You may apply for this plan by calling us, or by following the instructions provided in any communications we have sent to you in relation to this plan. We will evaluate your request based on the most up to date information we have on you in our records and contact you if you are eligible. Please note that the actual offering of Flexi Instalment Plan will only apply to customers who we believe may be eligible (based on the information we hold and our internal policies).

### 1.5 Will I be charged any fees and/or interest?

We may charge you fees and/or interest but will communicate these to you via Personal Internet Banking, Mobile Banking, merchant website or app, emails or phone (depending on how you have applied), before you proceed with the Flexi Instalment Plan. Please refer to the Schedule of Services and Tariffs (as amended from time to time) for details of our latest fees and charges, or call us to find out more about your interest rate.

Any fee (if applicable) will be billed to the retail plan. This means the fee(s) will be treated as a regular retail purchase and will accrue interest as per the retail rate of interest if not paid in full by your next payment due date.

If an interest rate applies, we will charge this for the number of statement cycles for which it has been approved. For example, if you have taken a Flexi Instalment Plan for 6 months, the Flexi Instalment Plan interest rate applies on your outstanding Flexi Instalment Plan amount for the first 6 statement cycles post approval. The interest rate will remain fixed for the period of your Flexi Instalment Plan. We will apply interest rate on a monthly basis to your outstanding Flexi Instalment Plan balance as it reduces each month (i.e. as you pay each scheduled instalment). This means that the amount of interest that you pay, as a proportion of your monthly Instalment, will decrease over the period of the Flexi Instalment Plan as your outstanding balance reduces. This is known as a Reducing Balance Method.



### **1.6 What else do I have to pay under the instalment plan?**

We will let you know the amount and number of monthly instalments due before you proceed with the Flexi Instalment Plan. You must ensure you pay these on time. The monthly instalment amount will form part of your monthly minimum repayment due for your credit card.

### **1.7 What if I miss a payment?**

The monthly instalment amount will form part of your monthly minimum repayment due for your credit card. If you fail to pay your credit card minimum repayment amount by the due date in two consecutive months at any point during the term of Flexi Instalment Plan then:

- all of the outstanding Flexi Instalment Plan amount will become due in the following month's Credit Card statement;
- all of the outstanding Flexi Instalment Plan amount at that time will be converted and treated and priced like a retail purchase and cannot be converted back to Flexi Instalment Plan. Interest will also be calculated based on your average daily balance; and
- you may also be charged a late payment fee and a higher amount of interest as set out in our Schedule of Services and Tariffs.

### **1.8 How long will the Flexi Instalment Plan take to complete?**

We endeavor to process the Flexi Instalment within 2 Working Days of your Flexi Instalment Plan being approved by us. We're not responsible for any delays in processing your Flexi Instalment Plan for example where there are changes in your available credit limit since the time you have applied for Flexi Instalment Plan.

### **1.9 How much of my credit limit will be used as part of the Flexi Instalment Plan?**

Both the flexi instalment amount, any applicable fee and the total interest payable (whether or not this has been billed) as part of this plan will be deducted from your available credit limit. This means that at any time during the term of Flexi Instalment Plan your available credit limit must be enough to cover the outstanding Flexi instalment amount, any applicable fee and the total interest payable. Your credit limit will be restored as each instalment is made.

### **1.10 What happens if I pay the Closing Balance as shown on my Credit Card statement?**

If you have taken any Flexi Instalment Plan and pay the 'closing balance' amount each month reflecting on your credit card statement, then the payment in excess of the 'balance less instalment plan outstanding' on your statement will be treated as credit balance on your Credit Card. Hence you need to pay the amount appearing as 'balance less instalment plan outstanding' at the bottom of the list of transactions on your statement.

### **1.11 Can I cancel or early settle the Flexi Instalment Plan? Will I be charged any cancellation or early payment fees?**

#### **Cancellation**

Contact us to cancel your Flexi Instalment Plan without re-paying the entire Flexi Instalment Plan outstanding balance. Within 7 working days from telling us, we will cancel the Flexi Instalment Plan, treat your purchase amount as part of your normal Credit Limit and charge you interest, fees and apply minimum repayment amounts from the day of cancellation as if the Flexi Instalment Plan did not apply.

#### **Early settlement**

You can fully repay the Flexi Instalment Plan before the end of your plan by calling the number(s) printed at the back of your Credit Card and making full payment towards your Flexi Instalment Plan outstanding balance. You may be subject to early settlement fees. Please visit our Schedule of Services and Tariffs on [www.hsbc.ae](http://www.hsbc.ae) for all applicable fee and finance charges.

To do this, you must:

- at least 7 working days before your next billing cycle: make the full payment towards your Flexi Instalment Plan outstanding balance to ensure you are not billed the instalment in the next billing cycle statement.
- within 3 working days of making the full repayment: call us to let us know you've made the payment to early settle your plan. If you don't, your payment will remain as a credit balance on your Credit Card account and you will continue to be billed the instalment amount each month until the end of your Flexi Instalment Plan term.

You cannot partially pre-pay the Flexi Instalment Plan. You need to pay off the entire Flexi Instalment Plan outstanding amount if you wish to early settle the Flexi Instalment Plan.

### **1.12 What happens if I have a dispute with the merchant?**

We're not responsible for the goods or services you purchased under the instalment plan and any dispute about them should be resolved by you directly with the merchant. You are still responsible to repay your monthly instalments to us even where you make a claim against a merchant, or return or stop using the goods or services. The merchant does not have the authority to bind us or any member of the HSBC Group and we will not be liable for any statement made by them to you before or after your application for the Flexi Instalment Plan.

### **1.13 What happens if the purchase on which the Flexi Instalment Plan is booked is reversed?**

In case you convert a purchase into instalments but subsequently cancel the purchase and get a credit for it from the merchant on your HSBC credit card, you will also need to contact us to cancel your Flexi Instalment Plan. If you don't, your Flexi Instalment Plan will continue as originally agreed.

### **1.14 What if my card is cancelled or terminated before the Flexible Instalment Plan has been fully repaid?**

The sum of all outstanding instalments will be immediately due and payable.

### **1.15 Can the Bank vary these Terms and Conditions?**

Yes. We might vary these Terms and Conditions, but if we do so we will give you 30 days' notice in a manner which is reasonable.

### **1.16 What happens if we have a dispute?**

Any dispute we may have under these Terms will be governed in accordance with the federal laws of the UAE and the laws of the Emirate of Dubai. Any dispute we may have arising out of, or in connection with, this Agreement (including any question regarding its existence, validity or termination) will be subject to the exclusive jurisdiction of the non DIFC Dubai Courts.

Effective 25 Apr 2019.

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