

# HSBC Bank Middle East Limited

## Credit Card Payment Holiday Terms and Conditions

Terms defined in these terms and conditions (the “**Terms**”) shall have the same meaning as set out in the HSBC Credit Card Agreement Terms unless specified otherwise. These Terms will prevail in an event of conflict between these Terms and the HSBC Credit Card Agreement Terms.

### **Definitions:**

**Payment Holiday:** a period of 3 statements cycle (including the current) starting from the date indicated in the Confirmation Communication.

**Confirmation Communication:** a communication sent by us to you to confirm your Payment Holiday has been granted. We may send this to you electronically (for example by email, SMS, Personal Internet Banking or Mobile Banking) or by verbally confirming this to you over the phone.

### **What is Payment Holiday?**

We are going through an unprecedented situation with COVID-19 impacting all of us globally. HSBC UAE is supporting customers by offering a 3 month Payment Holiday. This is a short term option whereby you are not required to make any repayment (including the minimum payment) to pay off your outstanding balance and new transactions performed by you on your credit card for a period of 3 months. Interest will continue to accrue as normal.

At the end of the payment holiday period, the outstanding balance on your credit account will become due. You must pay us at least the total minimum amount shown as due for payment by the due date indicated on your statement after the Payment Holiday.

The interest accrued during the Payment Holiday period will be charged to your credit card account after the end of the Payment Holiday in 3 equal monthly instalments. We will not charge any additional interest on this accrued interest providing it is paid within 3 months after the Payment Holiday.

### **Who can request a Payment Holiday?**

You can submit a request if:

- you hold an HSBC personal credit card account (you can't submit a request if you're an additional/supplementary cardholder);
- you've been directly or indirectly impacted by coronavirus;
- your ability to make at least your minimum monthly credit card payment has been temporarily affected, or you're expecting it to be – for example, your salary is reduced; and
- you are currently up to date on your credit card payments or have not missed more than one payments on your credit card.

### **How will this work?**

If you submit a request for a Payment Holiday and it's accepted, then additional terms will apply to your credit card: The Credit Card Payment Holiday Terms and Conditions.

We'll advise you and confirm this change. There'll be no other changes to your HSBC Credit Card Agreement, which will continue to apply during the Payment Holiday. As a result of the Payment Holiday there'll be no repayments, including the minimum monthly payment, due over the Payment Holiday but interest will continue to accrue as normal. If you make your credit card payments by a standing instruction (SI), we won't collect any payments from you during this period. At the end of the Payment Holiday, we'll go back to calculating your minimum payment as before, taking into account the interest that has accrued, and any transactions you made, during the Payment Holiday. The minimum payment amount may be higher after the Payment Holiday, because it's normally based on a percentage of your outstanding balance – due to interest, or use of your card, during the payment holiday.



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Please see **“What happens at the end of the Payment Holiday”** for more information on how this works at the end of the Payment Holiday period.

### **Will interest and charges apply during the Payment Holiday?**

We'll continue to charge interest at the usual rates during the Payment Holiday. You can find details of these rates in our Schedule of Services and Tariffs on our website.

Standard charges (for example, if you use your card to withdraw cash or you use your credit card above your authorized limit) will also apply.

As you won't be paying off interest during this period on your current outstanding as well as any new transactions on your card, it may cost you more and take you longer to repay your balance.

You'll still be able to make payments towards your account during the Payment Holiday period (though we won't collect any payments by standing instruction). Any payments you're able to make will reduce the amount of interest you pay and we will apply any payments you make in accordance with the HSBC Credit Card Agreement Terms

As you won't need to make any payments during this period, there'll be no charges for paying late.

### **How do I show that I agree to these Terms?**

You may agree to these terms by:

- verbally agreeing with our agents over the telephone on a recorded line;
- online or via any other electronic channels (including an electronic application form, E-mails, SMS, Personal Internet Banking or Mobile Banking); or
- by using the Payment Holiday option (we will consider this as 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 them in writing and all relevant Laws and regulations applicable to acceptance of contracts via electronic methods will apply.

### **How do I apply for this Payment Holiday?**

You may apply for Payment Holiday by calling us, submitting an application and providing us with any supporting documents we request from you. We will evaluate your request based on the information you have provided us when applying, the most up to date information we have on you in our records and from the Credit Bureau. You must let us know immediately if any of this information changes (either when applying or during the Payment Holiday) as it may impact our decision resulting in you no longer being eligible and we may withdraw the Payment Holiday.

### **What do I need to submit to apply for a Payment Holiday?**

We may require some documents (in a form satisfactory to us) to ascertain your eligibility to avail a Payment Holiday; without these we may not be able to process your application. We will advise you on these requirements at the time of processing your request. If your application for a Payment Holiday is rejected, we shall be under no obligation to provide reasons.

### **Do any other terms apply?**

These Terms apply to your credit card along with the following existing terms:

<b>The relevant terms and conditions that apply (as amended from time to time)</b>	<b>HSBC Credit Card</b>
HSBC Credit Cards Agreement Terms	Applies to all HSBC credit cards
Personal Banking General Terms and Conditions (UAE)	Applies to all HSBC credit cards
HSBC Black Credit Card Terms	Applies only to HSBC Black and HSBC Jade credit cards
HSBC Cashback Terms and Conditions	Applies only to HSBC Cashback credit cards
HSBC UAE Flexible Instalment Plan (FIP) Terms and Conditions	Applies only if you have a Flexible Instalment Plan
HSBC Cash Instalment (CIP) Terms and Conditions	Applies only if you have a Cash Instalment Plan
HSBC Balance Transfer Terms and Conditions	Applies only if you have a Balance Transfer
Schedule of Services and Tariffs	Applies to all HSBC credit cards

These Terms will apply in an event of a conflict between them and any of the terms listed above.

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### **How long will the request for Payment Holiday take to complete?**

We endeavor to process your payment holiday request within 3 Working Days after we confirm our approval of the Payment Holiday to you. We may receive a large volume of requests so please do bear with us. Once we successfully processed your application we will send you a Confirmation Communication. The Confirmation Communication will contain details of your Payment Holiday start date, so please ensure you are familiar with this as there may be instances where we cannot apply the Payment Holiday immediately to the next or most recent statement period i.e. if you have requested this less than 3 Working Days before your minimum payment is due.

### **Am I required to make any Payment during Payment Holiday?**

No. You are not required to make any payment towards your credit card account during the Payment Holiday. You can continue to use your credit card for new transactions as well providing its use is within your credit limit and the HSBC Credit Card Agreement Terms. As no repayments are made, interest will continue to accrue on your total outstanding balance and will be charged to your credit card account at the end of the Payment Holiday period. In case you choose to make any payments during the Payment Holiday, these will be applied in the normal way in accordance with our HSBC Credit Card Agreement Terms.

### **What if I have a standing instruction set up for my Credit Card to make repayments?**

Since you are not required to make any payments during the Payment Holiday period, there will not be any amount debited from your account even though you have a standing instruction set up. At the end of the Payment Holiday period, the standing instruction will be restored and we will then continue to debit the amount you have requested.

### **Can I continue to use my Credit Card during the Payment Holiday?**

Yes. You can continue to use your credit card during the Payment Holiday providing it is within your credit limit and in accordance with the HSBC Credit Card Agreement Terms. Payment for these transactions will not become due during the Payment Holiday period.

### **How does this work with supplementary credit cards?**

The Payment Holiday is applied to the credit card account which includes the primary credit card and any supplementary cards. As a result, these Terms shall also apply to the use of the supplementary card. It remains your responsibility to ensure that the supplementary cardholder is aware of any revised limits as a result of the Payment Holiday.

### **What happens after the end of the Payment Holiday?**

Your total outstanding balance at the end of your Payment Holiday will become due and payable in your next statement after the Payment Holiday. You must pay us at least the total minimum amount shown as due for payment by the due date indicated on your statement after the Payment Holiday or choose to make full payment to settle your outstanding balance. If you fail to repay the minimum amount when due, we will charge you a late fee and continue charging you interest until the amount is fully repaid.

Any interest which has accrued during your Payment Holiday will also become payable in the statement after the Payment Holiday. We will split this amount over 3 equal instalments allowing you a period of 3 statements to repay this. If you do not repay this amount, then we will treat this as a missed payment and will charge you interest on these unpaid amounts until they are fully repaid. We may also take additional action in accordance with our rights under the Credit Card Agreement Terms.

### **What if you still can't afford to make your credit card payments after the Payment Holiday?**

If you're worried about being able to start making at least your minimum monthly payment again at the end of the Payment Holiday, you should contact us at that point to see what options we have available to support you. We have a range of other solutions available to support with longer term difficulties – some of these may have an impact on your credit file (internally and those held with external credit agencies such as the Al Etihad Bureau).

### **Will I be charged any fees during the Payment Holiday?**

During your Payment Holiday we will not charge (1) processing fees for the Payment Holiday or (2) a late payment fee. We will continue to apply all other fees and charges as detailed in our Schedule of Services and Tariffs during the Payment Holiday.

### **Can you change my payment due date during my Payment Holiday?**

No – the Payment Holiday provides you with a short term break from making repayments towards your outstanding credit card balance and no change to the payment date can be made during this period. Please do contact us if you would like to change your payment date after your Payment Holiday.

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### **Can you request another payment holiday, if you've taken one already?**

If you're worried you won't be able to start making payments again after your Payment Holiday, please get in touch at that point to see what options we have available to support you going forward.

### **Can I cancel a payment holiday?**

No, you can't cancel your Payment Holiday once it's been confirmed.

However, you can still choose to make payments during the Payment Holiday period – we just won't collect any by payments through Standing Instruction on your account. You can make payments by transfer of funds from your HSBC account by using our Mobile Banking App or logging on to our Personal Internet Banking Application or from any other bank account.

### **Can you cancel a payment holiday?**

Yes. In exceptional circumstances we may cancel your Payment Holiday, for example:

- if the information you provided during your application was incorrect, or becomes incorrect, and this materially impacts our decision to offer you a payment holiday;
- you are in breach of the HSBC Credit Card Agreement Terms or the Personal Banking General Terms and Conditions, or any other product terms and conditions;
- we have decided to close your credit card account or any other accounts you hold with us; or
- for any other valid reason.

### **Will there be any change in my Card Limit?**

Yes. If we provide you a Payment Holiday, we may reduce your credit limit (including on your supplementary cards) and this will be applicable on all cards held by you with us. Details of your new credit limit(s) can be found in your application form or by contacting us. You will need to ensure you comply with the new limit as soon as your application is submitted, otherwise we may not be able to process your request. After the end of the Payment Holiday period, you can contact us to reinstate your credit limits and we will review your request. This will be subject to our review and will be subject to our eligibility criteria. It is your responsibility to ensure that you update any supplementary cardholders(s) of any changes to their credit limit.

### **What will happen to any existing FIP/CIP plans?**

If you currently have any Flexible Instalment Plans, Cash Instalment Plans on your credit card, we will not ask for payment of your monthly instalments as part of the minimum payment due during your Payment Holiday. At the end of the Payment Holiday Period we will extend the term of these plans up to 3 months (depending upon the remaining term when you apply for the Payment Holiday) without any additional charges to allow you additional time to repay these amounts. Your HSBC UAE Flexible Instalment Plan (FIP) Terms and Conditions and the HSBC Cash Instalment Plan (CIP) Terms and Conditions (as applicable) continue to apply.

### **What happens if I have a dispute in relation to the Payment Holiday?**

In the event of a dispute between us, we both agree to settle our dispute exclusive jurisdiction in the non-DIFC Courts of the UAE. The laws of the UAE and any local applicable Emirate laws will apply to these Terms.