

HSBC Personal Instalment Loan

Frequently Asked Questions (FAQs)

– General

1. **What is the difference between an HSBC Personal Line of Credit Instalment Plan and HSBC Personal Instalment Loan?**

Both HSBC Personal Line of Credit Instalment Plan and HSBC Personal Instalment Loan are term loans with fixed monthly repayment.

HSBC Personal Line of Credit Instalment Plan is an instalment plan drawn down from the Personal Line of Credit account which is a revolving line of credit facility. Upon monthly repayment, the available balance in the Personal Line of Credit account will be reinstated for further usage as and when required., including taking up another instalment plan.

HSBC Personal Instalment Loan is a fixed term loan account without the line of credit facility. Hence, the account will be closed once full repayment is made.

2. **What is the difference between HSBC Personal Loan and HSBC Personal Instalment Loan?**

With effect from 15 June 2020, HSBC Personal Loan will be re-named as HSBC Personal Instalment Loan, there is no change to the product structure.

3. **How do I apply for an HSBC Personal Instalment Loan?**

With effect from 15 June 2020, HSBC Personal Loan will be re-named as HSBC Personal Instalment Loan. If you would like to apply for a personal loan, HSBC Personal Line of Credit (with the option of instalment plan or balance transfer) will be offered.

For instances where the HSBC Personal Line of Credit Instalment Plan is not offered, we may, at our discretion, offer an HSBC Personal Instalment Loan instead, and a Statement Savings account will be opened to facilitate monthly repayments.

4. **How do I know if I am granted an HSBC Personal Instalment Loan instead of HSBC Personal Line of Credit Instalment Plan?**

Upon the approval of your application, you will receive an SMS which will specify the product offered. If you are offered an HSBC Personal Instalment Loan instead of a HSBC Personal Line of Credit Instalment Plan, HSBC will only proceed with the drawdown of the HSBC Personal Instalment Loan after you have provided your consent by replying to the SMS.

– Loan Approval

5. **How can I access the funds to my Personal Instalment Loan?**

Once you have accepted the offer via a valid SMS response, the loan proceeds will be disbursed to the account you have specified on the application form.

– Interest

6. **What is the interest rate of HSBC Personal Instalment Loan?**

The interest rate offered will be the same as HSBC Personal Line of Credit Instalment Plan, please refer to our web site for the latest offers.

7. **How will interest be charged on my loan account?**



Interest will be charged using the reducing balance method, and at daily rest on 365 days per year basis. The applicable interest rate will be stated on the notification letter to be sent to you.

– Repayment

8. **When is the repayment due date?**

Your repayment due date will be stated on the notification letter that the Bank will post to you. In general, your first repayment due date will be one month from your loan approval date, and will fall on the same date on subsequent months, unless otherwise stated in the notification letter.

9. **What is my monthly repayment amount?**

Your monthly repayment amount will be stated on the notification letter sent to you.

10. **What are the modes of repayment for HSBC Personal Instalment Loan?**

The monthly repayment amount will be debited from your HSBC repayment account each due date. You may deposit funds into your repayment account via the following methods:

- By Cheque - You may drop your cheque in the Cheque Deposit Box found in any HSBC branch (Please allow for two banking days cheque clearing period).
- By Cash - You may make your cash deposit using the Cash Deposit Machines found at HSBC branches.
- By Bank Transfer - You may transfer funds from your other bank accounts to your Repayment Account through Internet Banking, Phone Banking or over-the-counter.

Please ensure that the funds are deposited into your repayment account by 3pm on each Loan Repayment Date.

11. **Will I get a loan account statement detailing my payments and outstanding balance?**

Yes. You will receive an annual loan account statement, which will reflect your payments, transactions, and outstanding balance. You will also receive a monthly composite statement, which will reflect the transactions and outstanding balance on your HSBC accounts.

12. **What will happen if I miss a loan repayment?**

If the monthly installment is not received by the due date, late payment interest and late payment fee (as stated in the notification letter) will apply.

13. **What should I do if I want to repay my loan (partially or in full) in advance?**

If you wish to make an early repayment, whether partial or in full, you need to send your original written instruction to HSBC at least one month prior to the repayment date. Upon receipt, HSBC will send you details of the amount you need to pay into your repayment account, as well as the date that the repayment will be effected.

– Fees

14. **What are the fees associated with HSBC Personal Instalment Loan?**

- A processing fee of 1% of approved loan amount, subject to a minimum of SGD88, is applicable for all approved loan applications, and is deducted from the loan proceeds when the amount is disbursed. This processing fee is waived for HSBC Premier customers.
- Early repayment fee (partial or full redemption): 2.5% of the redemption amount
- Overdue interest: please refer to the Credit Cards/Unsecured Loans tariffs and charges.
- Late payment fee: please refer to the Credit Cards/Unsecured Loans tariffs and charges.