

## FX - Options

Product's Definition	Options is a transaction based on an agreement which grants the parties a right, and not an obligation, to buy or sell currencies at a specified exchange rate and on certain future dates. On the agreed date, the customer will give its instructions to execute or not the rights that have been owned.
Product's Benefit	<ul style="list-style-type: none"> <li>- One way to hedge against adverse movements in foreign exchange rates.</li> <li>- Provide the customer with an advantage should the spot exchange rates move favourably.</li> <li>- Protect a budget exchange rate as the customer has agreed to such rate under the option.</li> <li>- Provide the customer with the flexibility to execute (or not) its rights if the currency amount is uncertain.</li> </ul>
Product's Risk	<p>Market Risk - once deal is executed, the customer will no longer be able to change the exchanged prices &amp; amounts and obliged to honor the contracts despite rate movements.</p> <p>Operational Risk - may occur when the trade is not able to be settled timely per customer instructions.</p>
Requirements and Procedure for Product Use	<p>Terms &amp; Condition :</p> <ul style="list-style-type: none"> <li>- owns HSBC accounts .</li> <li>- send the instructions to HSBC branches or through HSBCNet.</li> <li>- comply with BI regulation governing FX Transactions.</li> <li>- provide us with all relevant documentation as necessary.</li> </ul> <p>For further inquiries related to this product, please contact HSBC team at +62 21 2927 7010 (Retail) or +62 21 2927 7007 (Corporate) during working hours</p>
Expenses attached to bank	Refer to effective tariff except for option premium which is determined on case by case basis
Type of Product and Service	Foreign exchange
Tenor	Up to 1 year period
Procedure for Service and Complaint	For further inquiries related to this product, please contact HSBC team at +62 21 2927 7010 (Retail) or +62 21 2927 7007 (Corporate) during working hours