

TERMS & CONDITIONS OF RECEIVING GOVERNMENT'S CASH INCENTIVE AGAINST WAGE EARNER'S REMITTANCE FROM ABROAD

Scope and Applicability

In order to promote inward remittances from abroad through proper banking channel, cash incentive scheme has been introduced by the Government of Bangladesh. According to the relevant Bangladesh Bank directives, the beneficiary of the inward remittance (IRM) sent by "Wage Earners" (see definition below) are entitled to receive cash incentives at the rates/percentage specified by the Government of Bangladesh from time to time against the aforesaid remitted amount upon conversion to Bangladeshi Taka (BDT), subject to compliance the applicable conditions of the relevant Bangladesh Bank Directives (as amended from time to time). Effective from 01 January 2022, the Government of Bangladesh has increased the cash incentive percentage from 2% to 2.5% and the said rates/percentage are subject to changes as stipulated by the Government of Bangladesh from time to time.

Eligibility

Beneficiaries (who must be natural persons) of inward remittances sent by "Wage Earners" are eligible for the cash incentive:

- According to "The Wage Earner Development Bond Rules – 1981" and Bangladesh Bank directive (FEPD (LDA)147/(1)/2019/7600 dated 07.10.2019), "Wage Earners" means a Bangladesh National gainfully employed abroad but not paid by the Government or a statutory, autonomous or semiautonomous body, and also includes a Bangladesh national who has his origin in Bangladesh but, for any reason, has assumed foreign nationality.
- In addition, inward remittances of income by Bangladeshi nationals who are mariners, aircraft pilots and working in United Nations or other institutions/ organizations in different countries of the world (excluding persons employed by the Government of Bangladesh or any organization/establishment owned by the Government of Bangladesh) will also be eligible for this scheme.
- Furthermore, subject to providing relevant evidence on the source of income, inward remittances from the following sources of income are also eligible for claiming the cash incentive:
 - Retirement benefits such as pension funds
 - Provident fund;
 - Leave salary;
 - Bonus and other gratuities, paid by employer;
 - Retirement benefits;
- Over the counter cash deposits are out of scope of the cash incentive programme.
- Remittances received against Foreign Direct Investment, Donation, Trade, Freelancing/IT export and other related products & services are out of scope of the cash incentive programme.
- Foreign nationals are out of scope of this incentive programme.
- The beneficiary of the eligible inward remittance must be a natural person. Entities/corporations shall not be entitled to receive the cash incentive.

Terms and Requirements

- The recipient/beneficiary of the inward remittance ('Eligible Customers') will be entitled to receive cash incentive only when the remittance is converted into BDT upon applying the prevailing conversion rate.
- Cash incentive against inward remittance of up to \$ 5,000 (or equivalent FCY) or BDT 500,000 will generally be credited without the requirement to submit further documents. However, the Bank may ask for required documentation prior crediting the Inward remittance as part of due diligence, if required.
- Payment of cash incentive with respect to any eligible inward remittance greater than US\$ 5,000 (or equivalent FCY) or BDT 500,000 (or such amount as may be specified by the Bangladesh Bank from time to time) will be subject to receipt of supporting documents within a period of 2 months (or such other timeline specified by the Bangladesh Bank) at HSBC branches. The cash incentive amounts shall only be credited to the beneficiary upon receipt of the documents and subject to the documents being in order. The required documents include, amongst others:

- Valid Passport copy of the remitter
 - Valid appointment letter from overseas employer/certificate from Bureau of Manpower, Employment and Training (BMET) of the remitter (if salaried individual) or
 - Valid trade/business license supporting source of income of the remitted (if engaged in business).
 - Any other documents as requested by HSBC.
- The requirement of submitting documents mentioned in the aforementioned clauses is applicable for the remittances received or conversion occurred prior to 23 May 2022. However, for remittance received or conversion occurred on 23 May 2022 onwards, there is no requirement for submitting any additional documents to avail the cash incentive. For inward remittances received in LCY accounts, the cash incentive will be automatically paid by the bank. However, for inward remittance received in the FCY account, the cash incentive will be paid only after the FCY amount is converted into LCY. However, customers are required to notify the Bank about their interest to avail the cash incentive post the conversion transaction is completed. Post customer request the Bank will arrange to credit the due incentive amount. Furthermore, customers are required to convert the FCY amount immediately (preferably within 1 month after receiving inward remittance in FCY accounts) and claim accordingly.
 - In the event the beneficiary fails to submit the documents or notify about the FCY to LCY conversion transaction within the stipulated period of 2 months (or such other timeline specified by the Bangladesh Bank), the beneficiary shall be deemed to have forfeited the funds and shall not longer be eligible to receive the forfeited amount thereafter.
 - The above provisions shall be without prejudice to the Bank's overriding and general rights to undertake necessary due-diligence or request for any information and documents in relation to inward remittances below US\$ 5,000 (or equivalent FCY) or BDT 500,000 (or such amount as may be specified by the Bangladesh Bank from time to time).
 - In case of remittance received in LCY via intermediary bank, the responsibility of providing the cash incentive lies with the intermediary bank.
 - In case of receipt of inward remittance in Foreign Currency (FCY) account, cash incentive shall only be provided post conversion into local currency (LCY). Hence the conversion date will be considered as inward remittance received date and the applicable timeline of customer claim and relevant submission of aforementioned documents will be calculated from this conversion date.
 - Regular recipients of IRM are recommended to open a BDT account with us to facilitate the smooth conversion on a regular basis in case the said recipient of IRM does not have any BDT account.
 - If the Eligible Customer(s) does not have any BDT account with HSBC, the incentive amount alternatively may also be transferred to a BDT account of the Eligible Customer(s) maintained with other banks via BEFTN, if available, upon submission of a customer application letter mentioning the following information on the said account:
 - Account No
 - Bank Name
 - Branch Name
 - Routing Number
 - The cash incentive will generally be credited to Eligible Customer's LCY account with us within 2-8 working days after successful credit of inward remittance in BDT or post conversion into local currency and where applicable, submission of required supporting documents.
 - The Eligible Customer is solely responsible for returning the ineligible or excess amount found to have been received by the Eligible Customer during the subsequent scrutiny of the regulators or the Bank immediately for the amount received as incentive against inward remittance.
 - Inward remittances which are/would be utilized for purchase of Wage Earner Development Bond (WEDB)/USD Investment Bond (USDIB)/USD Premium Bond (USDPB) Government bonds shall not be eligible for the cash incentive. Hence, if the Eligible Customer(s) wishes to invest in the aforementioned bonds, he/she shall not be entitled to claim any cash incentive. In the event the beneficiary later decides to invest in those bonds utilizing the inward remittance against which any cash incentive was previously received, the beneficiary shall be obligated to return the funds immediately to the Bank.
 - The Bank shall have the authority (without prejudice to any of its other rights and entitlements) to set-off or deduct the amount equivalent to the cash incentive amount paid against from the balance available in the Eligible Customer(s)' account(s), without any further notification or reference to the Eligible Customer(s), in the event the customer is found to have received ineligible or excess amount or invested the inward remittance amount as stated in the clause above.

Miscellaneous

- The Bank, in its sole discretion can determine whether an Eligible Customer or inward remittance qualifies for the cash incentive amount, subject to the applicable laws and regulations.
- All applicable taxes and duties in relation to the cash incentive amount shall be borne by the Eligible Customer(s) and the Bank shall deduct at source, any applicable tax or withholding tax from the cash incentive payments, without prior notification to the Eligible Customer(s).
- All matters related to the cash incentive payments shall be subject to the Personal Account Terms and Conditions and the applicable laws and regulations of Bangladesh (as amended from time to time) and any separate product terms and conditions as available on www.hsbc.com.bd shall continue to apply. Without limitation to the foregoing, In the event of inconsistency between these terms and conditions and applicable directives/regulations of Bangladesh Bank, the latter shall prevail.
- To the fullest extent permitted by law, HSBC expressly excludes and disclaims any representations, warranties, or endorsements, express or implied, written or oral, including but not limited to, any warranty of quality, merchantability or fitness for a particular purpose in respect of the cash incentive payments.
- In no event will HSBC be liable for any losses or damages (including without limitation, loss of income, profit or goodwill, direct or indirect, incidental, consequential, exemplary, punitive or special damages of any party including third parties) howsoever arising whether in contract, tort, negligence or otherwise, in connection with the cash incentive payments, even if HSBC has been advised of the possibility of such damages in advance, and all such damages are expressly excluded.
- HSBC shall not be liable for any default due to any act of God, war, riot, strike, terrorism, epidemic, pandemic, lockout, industrial action, fire, flood, drought, storm or any event beyond the reasonable control of HSBC.
- These terms and conditions and any disputes arising from these terms and conditions are governed by the laws of Bangladesh and the exclusive jurisdiction of the Courts of Bangladesh.
- For any queries, please call us at 16240 (accessible from within Bangladesh); +88 096127 16240 (accessible from overseas) 24/7, including government holidays.