

## PRODUCT DISCLOSURE SHEET

Read this **Product Disclosure Sheet** before you decide to take out **Hong Leong BizOne Solution (Overdraft Facility Secured against Fixed Deposit)**.

Be sure to read the final term and conditions that will be stipulated in the letter of offer and facility agreement. The information provided is merely general information of the product.

Please seek clarification from the Bank if you do not understand any part or the general terms of this disclosure sheet.



**Hong Leong BizOne Solution (Overdraft Facility Secured against Fixed Deposit)**

Date: <Date Letter of Offer issued>

### 1. What is this product about?

- Overdraft is a revolving line of credit that is available via a current account up to an authorized limit approved by the Bank and is repayable on demand. Periodic review will be conducted by the Bank to determine whether to renew or recall the facility.
- Hong Leong BizOne Solution (Overdraft Facility Secured against Fixed Deposit) ("**Facility**") is a secured overdraft facility granted to all Malaysian Micro SMEs which consists of Sole Proprietorships, Partnerships (incorporated and unincorporated), Private Limited companies (i.e. companies with "Sdn Bhd" in their names) with Annual Sales Turnover of up to RM5,000,000.00.
- You are offering your Business Entity's/Company's Fixed Deposit and/or such other third party individual's Fixed Deposit deemed acceptable to the Bank as a security for this Facility.
- Interest on the Facility is computed on daily rest basis and is chargeable only on the amount utilized.
- The limit of Facility made available for utilization shall correspond with the principal sum of the Fixed Deposit you pledged as security.

### 2. What do I get from this product?

• Overdraft Limit	Minimum RM10,000.00 Maximum RM3,000,000.00
• Overdraft Amount	RM _____ (Total Amount Borrowed)
• Fixed Deposit Tenure	1 Month
• Margin of Financing	100%
• Reference Rate	HLB Fixed Deposit 1 Month Interest Rate (" <b>1M FD</b> ") <b>NOTE:</b> 1M FD is currently at 1.50% p.a.
• Prescribed Rate	1M FD + 1.00% p.a. <b>IMPORTANT:</b> The Minimum Prescribed Rate ("MPR") applicable to the Facility shall not be less than 1.70%p.a. calculated on daily rest or such other minimum rate as may be prescribed by the Bank from time to time.
• Commitment Fee	1.0% p.a. on any unutilized Overdraft amount.
• Total Interest Charged	Based on Interest Charged on Overdraft Amount <i>plus</i> Commitment Fee on Unutilized Amount  Formula for calculating the Total Interest Charged is: [Overdraft Utilized Amount x Interest Rate x Utilization Days / 365 days] + [Commitment Fee x Unutilized Amount]

Example:

Overdraft Limit	: RM100,000
Overdraft Utilized Amount	: RM20,000
No. of Utilization Days	: 30 days in September
Prescribed Rate	: 1M FD + 1.00% p.a.
Effective Lending Rate / Overdraft interest	: 2.50% p.a.
Commitment Fee	: 1.00% p.a. on unutilized amount
Total Interest Charged for September	: <b>RM106.85</b>  <u>Interest on Overdraft Utilized Amount:</u> <b>RM49.09</b> = (RM20,000 x 2.50% x 30 / 365)  <u>Commitment Fee:</u> <b>RM65.75</b> = (RM80,000 x 1.00% x 30 / 365)

**NOTE:** Please note the above-mentioned rates are indicative only. The final approved limit of your overdraft and interest rate are subject to the Bank's approval and may differ from the above. For actual rates, please refer to letter of offer

### 3. What are my obligation?

- To pay monthly interest charged based on your utilization amount of the facility.
- To pay the outstanding amount (principal sum plus interest charged or any other monies) owing to the Bank upon cancellation or termination or recall of the facility.

**IMPORTANT:** Your monthly interest on overdraft utilized amount charged and total interest charged amount will vary if the 1M FD changes. *Example:*

Overdraft Limit	: RM100,000
Overdraft Utilized Amount	: RM20,000
No. of Utilization Days	: 30 days in September
Prescribed Rate	: 1M FD + 1.00% p.a.
Commitment Fee	: 1.00% p.a. on unutilized amount

Table below depicts example of the variation of monthly interest charged and total interest charged amount if the 1M FD changes:

Prescribed Rate (1M FD + 1.00% p.a.)	Current 1M FD	If 1M FD goes UP by 1.00%	If 1M FD goes DOWN 1.00%
1M FD	1.50% p.a.	2.50% p.a.	0.50% p.a.
Prescribed Rate	2.50% p.a.	3.50% p.a.	1.50% p.a.
Effective Lending Rate / Overdraft interest	2.50% p.a.	3.50% p.a.	1.70% p.a. <sup>1</sup>
Interest on Overdraft Utilized Amount	RM41.09	RM57.53	RM27.95
Commitment fee	RM65.75	RM65.75	RM65.75
Total interest charged	RM106.85	RM123.28	RM93.70

<sup>1</sup> MPR is applicable when Effective Lending Rate is less than 1.70% p.a.  
Calculation is based on the example of utilization days within the month of September

#### 4. What other fees and charges do I have to pay?

- For full list of fees and charges, please visit our website [www.hlb.com.my/bizone](http://www.hlb.com.my/bizone) or scan here



#### 5. What if I fail to fulfil my obligations?

<ul style="list-style-type: none"><li>• Overdraft Excess</li></ul>	4.00%p.a. above Base Lending Rate (BLR) on daily rest on the amount drawn in excess of the approved Facility limit  <b>NOTE:</b> BLR is currently at 5.64% p.a.
<ul style="list-style-type: none"><li>• Right to set-off</li></ul>	The Bank may set-off the Fixed Deposit amount pledged and/or any credit balance in any account maintained with the Bank against any outstanding balance of this Facility.
<ul style="list-style-type: none"><li>• Right to commence recovery or legal action</li></ul>	Legal action will be taken if you fail to respond to reminder notices.  The Bank has a right to commence recovery activities (including engaging third party debt collection agencies) and bankruptcy proceedings.  <b>NOTE:</b> Legal action against you may affect your credit rating leading to difficulty in obtaining financing approval or financing being more expensive.

#### 6. What if I fully settle the loan during the lock-in period?

- Not applicable

#### 7. Do I need any insurance / takaful coverage?

- Not applicable

#### 8. What do I need to do if there are changes to my contact details?

- It is important that you inform us of any change in your contact details such as telephone numbers, mailing address and email address to ensure that all correspondences reach you in a timely manner. To update your correspondence details, please contact the Bank at **+603-7626 8899** or visit any of our branches nationwide.

## 9. Where can I get assistance and redress?

- If you have difficulties in making repayments, you may contact us as early as possible to discuss alternatives. You may contact our HLB Customer Service at:  
Tel : +603-7626 8899
- Alternatively, you may also seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara to provide free services on money management, credit counseling, financial education and debt restructuring for individuals. You can contact AKPK at:  
Add : Tingkat 5 and 6, Menara Bumiputra Commerce, Jalan Raja Laut, 50350 Kuala Lumpur.  
Tel : +603-2616 7766 .  
E-mail : [enquiry@akpk.org.my](mailto:enquiry@akpk.org.my)
- If you wish to complain on the products or services provided by the Bank, you may contact us at:  
Add : **Customer Advocacy, Hong Leong Bank Berhad**  
Level 13A, Hong Leong Tower, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur  
Tel : +603-7626 8801/ +603-7626 8802/ +603-7626 8812.  
E-mail : [customerservice@hlbb.hongleong.com.my](mailto:customerservice@hlbb.hongleong.com.my)
- If your query or complaint is not satisfactorily resolved by the Bank, you may contact:  
Add : **Bank Negara Malaysia LINK/TELELINK**  
Block D, Bank Negara Malaysia, Jalan Dato' Onn, 50480 Kuala Lumpur.  
Tel : 1-300-88-5465  
Fax : +603-2174 1515  
E-mail : [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)

## 10. Where can I get further information?

- Should you require additional information on Hong Leong BizOne Solution, please visit any of our nearest branches nationwide and our website at [www.hlb.com.my](http://www.hlb.com.my)

## 11. Other loan packages available

- Not Applicable

### **IMPORTANT:**

YOUR FIXED DEPOSIT(S) AND/OR ANY CREDIT BALANCE IN ANY ACCOUNT MAINTAINED WITH THE BANK MAY BE SET-OFF IF YOU DO NOT KEEP UP WITH THE REPAYMENTS ON YOUR OVERDRAFT FACILITY.

The information provided in this disclosure sheet is valid as at \_\_\_\_\_

Last updated: 21 May 2021