

CLIENT CHARTER FOR SMALL AND MEDIUM ENTERPRISES (SMEs) FINANCING TO SMEs

ELIGIBILITY

Registered businesses (SMEs¹) within the following category:

- a) For business in the Manufacturing Sector
Registered business with turnover of not exceeding RM50 Million
OR full time employees of not exceeding 200.
- b) For business in the Services and Other Sectors
Registered business with turnover of not exceeding RM20 Million
OR full time employees of not exceeding 75.

Malaysian-owned companies / institutions (with at least 51% ownership by Malaysians) registered under the Companies Act 1965, citizens residing in Malaysia and entrepreneurs registered under the Registrar of Business.

Satisfactory financial track record of minimum 3 years.

Satisfactory relationship (if any) with other financial institutions.

PURPOSE OF FINANCING

Financing can be used for business purposes such as:

- Working capital;
- Expansion of existing business capacity;
- Capital expenditure such as purchase of machinery;
- Property acquisition.

TYPE OF FINANCING FACILITIES

Term Loan.

Overdraft.

Revolving Credit.

Trade products such as Letter of Credit, Trust Receipt, Banker Acceptance, Export Credit Refinancing, Invoice Financing, Bank Guarantee and Foreign Exchange Contract.

Loans administered by Bank Negara Malaysia under the various schemes are also available subject to compliance with their respective eligibility and terms and conditions.

Similar facilities as per above-mentioned are also available under Islamic Financing.

STATEMENTS OF ACCOUNTS

Overdraft – Current account statement will be provided monthly.

Term Loan – Statements will be provided half yearly.

Trade facilities – Statement are available upon request.

Revolving Credit – Notification letter will be provided upon utilization of facility.

CHANNEL OF APPEAL²

Any appeal on unsuccessful loan application can be submitted in writing to:

HEAD, COMMERCIAL & SME BANKING

HONG LEONG BANK BERHAD

Level 9, Menara Hong Leong, No. 6 Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur.

HLB Customer Service Hotline +603 7661 7777 or log on to www.hlb.com.my

Notes:

1. As per Bank Negara Malaysia definition of SME.

2. Decision on the appeal shall be notified in writing within 2 weeks from date of appeal is received.

3. A company has the option to adopt a constitution if it wishes to tailor certain provisions for itself, to the extent the provisions of the constitution are not inconsistent with the CA 2016 (and provided any modification(s) of the provisions of the Act is permitted).

4. A company limited by guarantee is a company incorporated without share capital and in which the liability of its members is limited to the amount each member undertakes to contribute at the time the company is wound up. Whether a company is limited by guarantee or by shares is stated in the Notice of Registration under the Type of Company.

DOCUMENTS REQUIRED

Following are some of the necessary documents required to process the financing applications:

For business incorporated prior to 31st January 2017	
No.	List of Documents
1.	Form A / B, Form 8 / Form 9 (whichever is applicable).
2.	Form 24 and / or Form for Section 78 (where applicable).
3.	Form 49 and / or Form for Section 58 (where applicable).
4.	Form 13 and / or Notice of Registration of the New Name [issued by the Registrar under Section 28(3) CA 2016] (where applicable).
5.	Form 44 and / or Form for Section 46(3) (where applicable).
6.	Memorandum & Articles of Association (M & A).
7.	Copies of Identity Card (NRIC) or Passport of the director(s), guarantor(s) and authorized signatory(ies).
8.	Directors' Resolution (including Circular Resolution / Certified Extract of Resolution).
9.	Trading License (applicable only for companies incorporated in Sabah).
10.	Audited accounts for past 3 years and latest managements account.
11.	Bank statements (latest 6 months).
12.	Company write-up and management profile.
13.	List of existing bankers, details of borrowing and existing security arrangements (if any).
14.	List of main suppliers / purchasers and creditors / debtors ageing schedule (if applicable).
15.	Cash-flow projections (if necessary).
16.	Details of security offered including related documents such as valuation report, copy of land title, sale and purchase agreement (if applicable).
17.	Director(s) / Guarantor(s) latest 3 years Income Tax Return Form (Form J) and any other documents as evidence of income.
18.	If guarantor is a Corporate Entity additional documents may be required.

For business incorporated on / after 31st January 2017	
No.	List of Documents
1.	Notice of Registration issued by Companies Commission of Malaysia ("CCM") and / or Certificate of Incorporation (if available).
2.	Constitution ³ (mandatory for a company limited by guarantee ⁴ and optional for a company limited by shares).
3.	Form for Section 14 – Application for Registration of a Company (for newly incorporated company).
4.	Form for Section 78.
5.	Latest Form for Section 58.
6.	Notice of Registration of the New Name [issued by the Registrar under Section 28(3) CA 2016] (applicable if the company had changed its name).
7.	Form for Section 46(3).
8.	Documents #7 to #18 as listed for business incorporated prior to 31st January 2017 above.

Note:

Listed documents herein are minimal document requirement and additional document may be requested by the Bank for processing and evaluation of financing application.

DURATION FOR LOAN APPLICATION

Bank's decision shall be informed to the applicants in writing approximately 1 month from submission of complete sets of documents as stated herein.