

PRODUCT DISCLOSURE SHEET ([Versi Bahasa Malaysia](#))

Read this Product Disclosure Sheet before you decide to take up the Letter of Credit facility with Hong Leong Bank Bhd. Be sure to also read the general terms and conditions.

The information provided is merely general information of the product. The terms and conditions indicated in this Product Disclosure Sheet are tentative or indicative and may change at the discretion of the Bank.

Final terms and conditions will be read jointly and superseded as stipulated in the letter of offer and facility agreement (if any) after credit assessment and loan approval.

Seek clarification from your institution if you do not understand any part of this document or the general terms.

Hong Leong Bank Bhd
Transaction Banking,
Business and Corporate
Banking

Product: Letter of Credit (LC)

Date: / /

1. What is this product about?

A Letter of Credit (LC) is also known as a Documentary Credit and it constitutes an irrevocable and definite undertaking of the Issuing Bank to honour a complying presentation. It can be issued at Sight (immediate payment) or Usance (payable on a future date) basis, depending on instructions given by the buyer (Applicant).

An LC is basically a documentary instrument provided by banks in order to facilitate trade settlement. The LC Issuing Bank issues a written undertaking at the request and in accordance with the instructions of the buyer (Applicant). The Issuing Bank or Confirming Bank (if any) assures payment to the seller (Beneficiary) as long as they present documents which comply with the terms and conditions of the LC issued. Payment is assured based on documents alone and not on goods or services to which it may refer.

Documents presented under documentary credits are subject to Uniform Customs and Practices for Documentary Credits (UCP) and Uniform Rules for Bank-to-Bank Reimbursements under Documentary Credit (URR), International Chamber of Commerce Publication currently in force.

2. What do I get from this product?

- a) Payment will only be made under LC when conforming documents are presented.
- b) Better opportunity to negotiate with the supplier for better credit terms and pricing.
- c) May obtain import financing.
- d) Bank may assist to clear exchange control matters and related trade issues when the LC is issued.

3. What are my obligations?

- a) You undertake to pay on presentation of documents or to pay at maturity date of the draft(s) and/or upon documents being honoured or negotiated in compliance with the terms and conditions of the Letter of Credit.
- b) In consideration of the Bank opening an LC, you undertake to pay the Bank all monies paid by the Bank pursuant to the LC together with interest/profit/commission at such rate(s) as may be fixed by the Bank from time to time and all customary charges and Bank's Agent's charges, if any. In addition, you authorize the Bank to debit your account in the Bank with all monies so paid or for which the Bank is liable under the LC.
- c) You certify that the import of the relevant goods is not prohibited or restricted and that you hold and undertake to exhibit to the Bank a valid license where such license is required.
- d) You undertake to pay on presentation of documents or to pay at maturity date of the draft(s) and/or upon documents being honoured or negotiated in compliance with the terms and conditions of the Letter of Credit.
- e) In consideration of the Bank opening an LC, you undertake to pay the Bank all monies paid by the Bank pursuant to the LC together with interest/profit/commission at such rate(s) as may be fixed by the Bank from time to time and all customary charges and Bank's Agent's charges, if any. In addition, you authorize the Bank to debit your account in the Bank with all monies so paid or for which the Bank is liable under the LC.

- f) You certify that the import of the relevant goods is not prohibited or restricted and that you hold and undertake to exhibit to the Bank a valid license where such license is required.
- g) What are the cut-off times to observe for LC issuance and settlement?

TRADE PRODUCT	CUT-OFF TIME
LC Application <i>(issuance/amendment/cancellation)</i>	2pm
LC Payment (RENTAS)	12pm
LC Payment (Non-RENTAS) <i>* (Foreign currency payment is subject to cut-off time for each currency. Refer to Trade Services Centre for cut-off time for each currency)</i>	2pm *

h) Pricing:

(i) LC:

Commission	Issuance	<ul style="list-style-type: none"> 0.10% per month or part thereof Minimum RM 50.00 No maximum
	Amendment	<p>If related to extension or increase in amount:</p> <ul style="list-style-type: none"> 0.10% per month or part thereof Minimum RM 50.00 No maximum <p>If not related to extension or increase in amount:</p> <ul style="list-style-type: none"> RM 50.00 flat

(ii) Inward bills under Letter of Credit (IBLC):

Commission	If documents are presented directly to HLBB by the LC Beneficiary	<ul style="list-style-type: none"> 0.10% flat Minimum RM 50.00 Maximum RM 150.00 (to deduct from proceeds)
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(iii) Usance bills under Letter of Credit (UBLC) pricing:

Acceptance Commission	If documents are presented through another Bank	<ul style="list-style-type: none"> 0.10% per month or part thereof Minimum RM 50.00 No maximum
	If documents are presented directly to HLBB by the LC Beneficiary	<ul style="list-style-type: none"> 0.10% per month or part thereof, Minimum RM 50.00, No maximum Collection commission of 0.10% flat, Minimum RM 50.00, Maximum RM 150.00 (to deduct from proceeds)

4. What other charges do I have to pay?

For the full list of fees and charge, please visit our website at:

<https://www.hlb.com.my/content/dam/hlb/my/docs/pdf/Business/trade/trade-fees-and-charges-consolidated.pdf>

5. What if I fail to fulfil my obligations?

- a) If you fail to provide settlement instruction on compliant documents presented under the LC within stipulated time, the Bank is required to make payment (advance payment) to Negotiating Bank/Confirming Bank.
- b) Interest rate on advance payment under Letter of Credit is Base Lending Rate ("BLR") plus credit spread [_% per annum (p.a.)] or such other rate / minimum amount as may be decided by the Bank to be charged from the date of financing until settlement (maximum 14 days).
- c) If there is no settlement on 14th day from the date of advance payment by the Bank, the advance shall be classified as past due bill and shall be charged BLR + penalty rate until repayment date. **The present penalty rate is 3.5%p.a.**
- d) When an LC is converted to past due, the LC facility and other trade facility(ies) will be suspended immediately.
- e) Right to commence recovery or legal action:
 - (i) **Legal action will be taken if you fail to respond to reminder notices. Your asset may be foreclosed and you will have to bear all costs. You are also responsible to settle any shortfall after your asset is sold.**
 - (ii) The Bank has a right to commence recovery activities (including engaging third party debt collection agencies), foreclosure and bankruptcy proceedings.

Note: Legal action against you may affect your credit rating leading to credit being more difficult or expensive.

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

It is important that you inform us immediately of any change in your contact details to ensure that all correspondences reach you in a timely manner.

7. Where can I get assistance and redress?

- If you have difficulties in making repayments, you should contact us earliest possible to discuss repayment alternatives. You may contact us at:

Contact Center : 03-7626 8899 /03-7661 7777
Facsimile : 03-7946 8888
E-mail : HLOnline@hlbb.hongleong.com.my

- Alternatively, you may seek the services of:

Khidmat Nasihat Pembiayaan (KNP), a service formalize by Bank Negara Malaysia in collaboration with Credit Guarantee Corporation Malaysia Berhad (CGC) and Agensi Kaunseling & Pengurusan Kredit (AKPK) via MyKNP@CGC that provides financial advisory and recommendations to Small and Medium Enterprises (SMEs) who were unsuccessful in obtaining business financing from banks.

You may contact KNP at:

- a) MyKNP@CGC Advisory Unit Under CGC

Address : CGC Advisory at any CGC branches nationwide. Please refer to CGC website for the branch location
<https://www.cgc.com.my/cgc-branches>
Telephone : 03-7880 0088
E-mail : myknp@cgc.com.my
Website : <https://imsme.com.my/portal/myknp-cgc-en>

- b) Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia as a one-stop platform for both individuals and SMEs seeking debts restructuring services, as well as financial education and credit advisory. You may contact AKPK at:

Agensi Kaunseling dan Pengurusan Kredit (AKPK)

Address : Tingkat 8 Maju Junction Mall 1001, Jalan Sultan Ismail 50250 Kuala Lumpur

Telephone : 03- 2616 7766

E-mail : enquiry@akpk.org.my

- To make a complaint on products or services offered, you may contact us at:

Customer Advocacy

Level 13A Floor, Menara Hong Leong,

No 6, Jalan Damanlela, Bukit Damansara,

50490 Kuala Lumpur.

Phone: 03-76268801/03-76268802/03-76268812

E-mail: customerservice@hlbb.hongleong.com.my

- If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia at:

Bank Negara Malaysia LINK or BNMTELELINK

Address : Block D, Bank Negara Malaysia Jalan Dato' Onn 50480 Kuala Lumpur

Telephone : 1-300-88-5465

Fax : 03-2174 1515

E-mail : bnmtelelink@bnm.gov.my

Website : www.ofs.org.my

8. Where can I get further information

Should you require additional information, please contact us at:

**Trade Sales & Product
Hong Leong Bank Berhad
Level 10, Menara Hong Leong
6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Tel : (03) 7661 7777
Or visit www.hlb.com.my**

The information provided in this disclosure sheet is valid as at 31 MARCH 2023.

PRODUCT DISCLOSURE SHEET (Versi Bahasa Malaysia)

Read this Product Disclosure Sheet before you decide to take up the Inward Bills for Collection with Hong Leong Bank Bhd. Be sure to also read the general terms and conditions.

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**Hong Leong Bank Bhd
Transaction Banking,
Business and Corporate
Banking**
**Product: Inward Bills for
Collection (IBC)**

Date: / /

1. What is this product about?

An Inward Bills for Collection (IBC) is a trade service provided by the Bank, as a Collecting/Presenting Bank to handle and inform customer's (buyer's/drawee's) incoming shipping documents from their supplier (drawer). This intermediary service facilitates trade settlement on terms agreed between customer and their supplier.

The handling by the Collecting/Presenting Bank of the shipping documents is based on instructions received from Remitting Bank, in order to obtain payment or acceptance or based on other pre-determined terms and conditions in Remitting Bank's collection instructions.

Documents for collection are subject to Uniform Rules for Collections, International Chamber of Commerce Publication No. 522 currently in force.

2. What do I get from this product?

- a) Payment is made only upon release/after acceptance of the shipping documents, hence greater flexibility.
- b) This payment method is simpler and cheaper as compared to other trade services.

3. What are my obligations?

- a) You are required to make payment or accept the Bill of Exchange before the documents are released by the Bank.
- b) You are to pay at maturity of the Bill of Exchange accepted earlier.
- c) You authorize the Bank to debit your account in the Bank for the payment of commission and all customary charges and Bank Agent's charges, if any. In addition, you authorize the Bank to debit your account in the Bank with all monies so paid or for which the Bank is liable under the IBC.
- d) What are the cut-off times to observe for IBC issuance and settlement?

TRADE PRODUCT	CUT-OFF TIME
IBC Issuance	2pm
IBC Payment (RENTAS)	12pm
IBC Payment (Non-RENTAS) <i>* (Foreign currency payment is subject to cut-off time for each currency. Refer to Trade Services Centre for cut-off time for each currency)</i>	2pm *

e) Pricing:

Avalisation:

Commission	<ul style="list-style-type: none"> • 0.10% per month from avalisation date to expiry date. • Min RM 50.00.
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4. What other charges do I have to pay?

For the full list of fees and charge, please visit our website at:

<https://www.hlb.com.my/content/dam/hlb/my/docs/pdf/Business/trade/trade-fees-and-charges-consolidated.pdf>

5. What if I fail to fulfil my obligations?

If documents remain uncollected by you, we will return the documents to the Remitting Bank within 60 days from date of receipt or upon request by Remitting Bank to return their documents, whichever is earlier.

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

It is important that you inform us immediately of any change in your contact details to ensure that all correspondences reach you in a timely manner.

7. Where can I get assistance?

- To make a complaint on products or services offered, you may contact us at:

Customer Advocacy
Level 13A Floor, Menara Hong Leong,
No 6, Jalan Damanlela, Bukit Damansara,
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Hong Leong Bank Bhd
Transaction Banking,
Business and Corporate
Banking

Product: Outward Bills for
Collection (OBC)

Date: / /

1. What is this product about?

An Outward Bills for Collection (OBC) is a trade service provided by the Bank (called the Remitting Bank) to send out customer's sales/export shipping documents and collection instructions to the collecting bank in the buyer's/importer's country for presentation to the buyer (drawee) for payment. This intermediary service facilitates trade settlement on terms agreed between customer and their buyer.

The handling by the Remitting Bank of the shipping documents is based on customer's instructions in order to obtain payment or acceptance or based on other pre-determined terms and conditions in the Bank's collection instructions.

Documents for collection are subject to Uniform Rules for Collections, International Chamber of Commerce Publication No. 522 currently in force.

2. What do I get from this product?

- a) This is a payment mechanism by which a seller/exporter uses the services of banks to obtain payment from their buyer/importer. It provides a compromise between "open account" terms and payment in advance. Banks do not guarantee payment but only provide a service to collect funds as instructed. The remitting bank acts as agent for the seller/exporter (i.e. the principal).
- b) This payment method is simpler and cost efficient as compared to other trade services.

3. What are my obligations?

- a) In receiving documents for collection the Bank acts only as a collecting agent and has no obligation to examine the documents beyond the exercise of reasonable care. Therefore, you are required to provide clear instruction to the Bank on the handling of the documents.
- b) You authorize the Bank to debit your account in the Bank for the payment of commission and all customary charges and Bank Agent's charges, if any. In addition, you authorize the Bank to debit your account in the Bank with all monies so paid or for which the Bank is liable under the OBC.
- c) What are the cut-off times to observe for OBC issuance?

TRADE PRODUCT	CUT OFF TIME
OBC Issuance	2pm
OBC Payment (RENTAS)	12pm
OBC Payment (Non-RENTAS) <i>* (Foreign currency payment is subject to cut-off time for each currency. Refer to Trade Services Centre for cut-off time for each currency)</i>	2pm *

4. What other charges do I have to pay?

For the full list of fees and charge, please visit our website at:

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5. What if I fail to fulfil my obligations?

In the absence of you fixing a contract with the Bank to cover the OBC, upon the Bank's receipt of incoming funds from the Collecting Bank in relation to the OBC, the Bank shall be entitled at its absolute discretion to convert the amount received in foreign currency into Ringgit Malaysia at the Bank's prevailing counter rate of exchange before remitting the same to you.

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Tel : (03) 7661 7777
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The information provided in this disclosure sheet is valid as at 31 MARCH 2023.

PRODUCT DISCLOSURE SHEET ([Versi Bahasa Malaysia](#))

Read this Product Disclosure Sheet before you decide to take up the Shipping Guarantee / Endorsement of Airway Bill/Parcel Post Receipt/Bill of Lading facility with Hong Leong Bank Bhd. Be sure to also read the general terms and conditions.

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**Hong Leong Bank Bhd
Transaction Banking,
Business and Corporate
Banking**

Product: Shipping Guarantee (SG) / Endorsement of Airway Bill ("AWB") / Parcel Post Receipt ("PPR")/ Bill of Lading ("BL")

Date: / /

1. What is this product about?***Shipping Guarantee (SG)***

A Shipping Guarantee (SG) is an indemnity document issued by the Bank addressed to the shipping company on the instruction of customer (Importer) to take delivery of goods from the shipping company or its agent in the absence of the original bill of lading.

In the absence of the original bill of lading, the shipping company will release goods against the guarantee given by the Bank, i.e. the SG. The Bank undertakes to indemnify the shipping company or its agent against all consequences and/or liabilities relating to the delivery of the goods under this guarantee.

SGs are valid indefinitely, i.e. no expiry date and amount. They are valid until such time as the original bill of lading is presented to the shipping company or agent for redemption.

Endorsement of Airway Bill (AWB)/Parcel Post Receipt (PPR)/Bill of Lading (BL) (Endorsement)

There may be occasions where the customer receives 1 of the 3 of the original Bill of Lading directly from the seller prior to the arrival of remaining documents at the Bank. Under such circumstances, endorsement by the Bank of the Bill of Lading may be necessary to expedite the delivery of the goods to the customer.

The Endorsement of Airway Bill/ Parcel Post Receipt is done for goods which are dispatched by air or parcel post. Customer may receive a copy of the Airway Bill or Parcel Post Receipt prior to the arrival of the documents. Under such circumstances, an endorsement on the Airway Bill/ Parcel Post Receipt will be done by the Bank in order to enable customer to take delivery of the goods.

2. What do I get from this product?

- a) The ability to obtain goods faster especially in cases of unforeseen delay in the arrival of the original Bill of Lading/ Airway Bill /Parcel Post Receipt document.
- b) Savings on port charges and demurrage (i.e. storage) fees etc.

3. What are my obligations?

- a) You shall pay the Bank's commission at the rate stipulated by the Bank on each issuance of shipping guarantee or endorsement of AWB/PPR/BL by the Bank from time to time and such payment shall be made upon the said issuance or endorsement.
- b) There shall be no refund by the Bank of any commission paid by you to the Bank in the event of any early cancellation or release or premature return of any shipping guarantee.
- c) Even if the Bank endorses the Bill of Lading/Airway Bill/Parcel Post Receipt document, the Bank shall not be responsible for the sufficiency, accuracy or genuineness of the shipping documents or for any irregularities or discrepancy in the documents or for any non-compliance of the documents with the terms and conditions of the said Letter of Credit and you shall not dishonour such shipping documents.

d) You are to return the Original Letter of Indemnity for Non-Surrender of BL (SG) to the Bank for cancellation upon the Bank's receipt of the negotiable Bill of Lading.

e) What are the cut-off times to observe for SG issuance / Endorsement of AWB/PPR/BL?

TRADE PRODUCT	CUT-OFF TIME
SG / Endorsement issuance	2pm

f) Pricing:

Commission	Issuance	<ul style="list-style-type: none">0.10% flat on invoice valueMinimum RM50.00No maximum	
	Cancellation (If SG is not returned within 3 months from date of issuance)	<ul style="list-style-type: none">Additional 0.50% per annum, calculated on daily basis and collected monthly, from the 4th month until date of return of SG.No minimumNo maximum	Not applicable if SG is returned for cancellation within 3 months from date of issuance.

4. What other charges do I have to pay?

For the full list of fees and charge, please visit our website at:

<https://www.hlb.com.my/content/dam/hlb/my/docs/pdf/Business/trade/trade-fees-and-charges-consolidated.pdf>

5. What if I fail to fulfil my obligations?

a) In the event a beneficiary demands any amount or the Bank is required to make or has made payment under any shipping guarantee issued or AWB/PPR/BL endorsed, the Bank may at any time demand payment from you and the Bank shall forthwith be paid by you in full for the amount so demanded together with interest thereon at the applicable Default Rate i.e. Base Lending Rate ("BLR") + penalty rate. **The present penalty rate is 3.5% per annum (p.a.).**

b) When a SG is converted to past due, the SG facility and other trade facility(ies) will be suspended immediately.

c) Right to commence recovery or legal action:

- Legal action will be taken if you fail to respond to reminder notices. Your asset may be foreclosed and you will have to bear all costs. You are also responsible to settle any shortfall after your asset is sold.**
- The Bank has a right to commence recovery activities (including engaging third party debt collection agencies), foreclosure and bankruptcy proceedings.

Note: Legal action against you may affect your credit rating leading to credit being more difficult or expensive.

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Khidmat Nasihat Pembiayaan (KNP), a service formalize by Bank Negara Malaysia in collaboration with Credit Guarantee Corporation Malaysia Berhad (CGC) and Agensi Kaunseling & Pengurusan Kredit (AKPK) via MyKNP@CGC that provides financial advisory and recommendations to Small and Medium Enterprises (SMEs) who were unsuccessful in obtaining business financing from banks.

You may contact KNP at:

a) MyKNP@CGC Advisory Unit Under CGC

Address : CGC Advisory at any CGC branches nationwide. Please refer to CGC website for the branch location
<https://www.cgc.com.my/cgc-branches>

Telephone : 03-7880 0088

E-mail : myknp@cgc.com.my

Website : <https://imsme.com.my/portal/myknp-cgc-en>

Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia as a one-stop platform for both individuals and SMEs seeking debts restructuring services, as well as financial education and credit advisory. You may contact AKPK at:

b) Agensi Kaunseling dan Pengurusan Kredit (AKPK)

Address : Tingkat 8 Maju Junction Mall 1001, Jalan Sultan Ismail 50250 Kuala Lumpur

Telephone : 03- 2616 7766

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Telephone : 1-300-88-5465

Fax : 03-2174 1515

E-mail : bnmtelelink@bnm.gov.my

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**Hong Leong Bank Bhd
Transaction Banking,
Business and Corporate
Banking**

**Product: Bank Guarantee
(BG)/ Standby Letter of Credit
(SBLC)**

Date: / /

1. What is this product about?

A Bank Guarantee (BG) is a document whereby the Bank as guarantor undertakes to pay an agreed sum if customer fails or defaults in fulfilling their obligations under the terms and conditions of the guarantee. There are instances where Standby Letters of Credit (SBLC) are issued instead of Bank Guarantees. SBLC is similar in nature and purpose to a Bank Guarantee. All references to BG in this document apply to SBLC as well, unless not applicable in the context. There are 2 types of guarantee i.e. Financial BGs and Non-Financial BGs.

A Financial Guarantee is defined as a guarantee issued by the Bank for its customer, favoring a third party under which the Bank agrees to pay the third party if the customer is unable to pay the amount due to the third party.

A Non-Financial Guarantee is broadly classified as performance bond guarantee. It is issued by the Bank for its customer favoring a third party, under which the Bank agrees to indemnify the third party should the customer fail to perform its duties / obligations of a specific contract entered into by it in accordance with the terms and conditions of that contract.

BGs should generally have an expiry date and a claim period (the period during which any claims on the BG must be received by the Guarantor). All BGs issued must be specific as to the amount and period of liability, including claim period.

2. What do I get from this product?

- a) The BG constitutes a formal and trustworthy undertaking that supports business needs.

3. What are my obligations?

- a) You shall pay the Bank's commission at the rate stipulated by the Bank on each BG issued and such payment shall be made upon the issuance of the BG.
- b) There shall be no refund by the Bank of any commission paid by you to the Bank in the event of any early cancellation or release or premature return of any BG.
- c) Where the BG has no claim period, you agree that commission shall be payable for the duration of the guarantee period including the period from the expiry of the guarantee up to the date of return of the guarantee for cancellation. Where there is a claims period in the bank guarantee, commission shall be payable for the duration of the guarantee period up to the expiry of the claims period.
- d) Your obligations under the BG Facility, is to forthwith pay to the Bank the amount demanded by the Bank immediately upon the Bank's demand irrespective of whether or not the Bank has made or has yet to make payment under any bank guarantee issued under or pursuant to the BG Facility.

e) You authorize the Bank to debit your account in the Bank for any amount demanded by the Bank and any charges, interests, costs or expenses in respect of payment made by the Bank under the BG issued.

f) What are the cut-off times to observe for BG issuance?

TRADE PRODUCT	CUT-OFF TIME
BG application (issuance without stamping) (issue, amendment and cancellation) <i>Note: If you do not wish the Bank to attend to the stamping, please be reminded to attend to stamping expeditiously</i>	*2pm (same day turnaround)
BG application (issuance with stamping) (issue, amendment and cancellation)	*2pm (turnaround within 2 working days)

* Applies to HLBB standard BG format only.

g) **Pricing:**

(i) BG

Commission	Issuance of Financial Guarantee	<ul style="list-style-type: none"> • 0.175% per month or part thereof or rate specified in the Letter of Offer • Minimum RM 50.00 • No maximum
	Issuance of Non-Financial Guarantee	<ul style="list-style-type: none"> • 0.10% per month or part thereof or rate specified in the Letter of Offer • Minimum RM 50.00 • No maximum
	Issuance Under Cash Margin / Fixed Deposits	<ul style="list-style-type: none"> • 0.175% per month or part thereof or rate specified in the Letter of Offer • Minimum RM 200.00 • No maximum
	Amendment (if related to extension of the validity or increase in the amount of the BG)	<ul style="list-style-type: none"> • 0.175% per month or part thereof or rate specified in the Letter of Offer • Minimum RM 50.00 • No maximum
	BGs that cannot be cancelled on expiry date	As per rate for issuance of the BG, applied from expiry date till return of BG or receipt of BG beneficiary's letter of discharge, whichever is earlier

(ii) SBLC:

Commission	Issuance	<ul style="list-style-type: none"> • Rate as specified in the Letter of Offer • Minimum RM 50.00 • No maximum
	Amendment	If related to extension or increase in amount: <ul style="list-style-type: none"> • Rate as specified in the Letter of Offer • Minimum RM 50.00 • No maximum If not related to extension or increase in amount: <ul style="list-style-type: none"> • RM 50.00 flat

4. What other charges do I have to pay?

For the full list of fees and charge, please visit our website at:

<https://www.hlb.com.my/content/dam/hlb/my/docs/pdf/Business/trade/trade-fees-and-charges-consolidated.pdf>

5. What if I fail to fulfil my obligations?

- a) In the event of an advance by the Bank to honour the claim on the BG, the advance by the Bank shall be classified as past due bill and a penalty interest at Base Lending Rate ("BLR") + penalty rate until repayment date shall be charged. **The present penalty rate is 3.5% per annum (p.a.).**
- b) When a BG is converted to past due, the BG facility and other trade facility(ies) shall be suspended immediately.
- c) Right to commence recovery or legal action:
 - (i) **Legal action will be taken if you fail to respond to reminder notices. Your asset may be foreclosed and you will have to bear all costs. You are also responsible to settle any shortfall after your asset is sold.**
 - (ii) The Bank has a right to commence recovery activities (including engaging third party debt collection agencies), foreclosure and bankruptcy proceedings.

Note: Legal action against you may affect your credit rating leading to credit being more difficult or expensive.

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

It is important that you inform us immediately of any change in your contact details to ensure that all correspondences reach you in a timely manner.

7. Where can I get assistance and redress?

- If you have difficulties in making repayments, you should contact us earliest possible to discuss repayment alternatives. You may contact us at:

Contact Center : 03-7626 8899 /03-7661 7777
Facsimile : 03-7946 8888
E-mail : HLOnline@hlbb.hongleong.com.my
- Alternatively, you may seek the services of:

Khidmat Nasihat Pembiayaan (KNP), a service formalize by Bank Negara Malaysia in collaboration with Credit Guarantee Corporation Malaysia Berhad (CGC) and Agensi Kaunseling & Pengurusan Kredit (AKPK) via MyKNP@CGC that provides financial advisory and recommendations to Small and Medium Enterprises (SMEs) who were unsuccessful in obtaining business financing from banks.

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Address : CGC Advisory at any CGC branches nationwide. Please refer to CGC website for the branch location
<https://www.cgc.com.my/cgc-branches>
Telephone : 03-7880 0088
E-mail : myknp@cgc.com.my
Website : <https://imsme.com.my/portal/myknp-cgc-en>
- Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia as a one-stop platform for both individuals and SMEs seeking debts restructuring services, as well as financial education and credit advisory. You may contact AKPK at:

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Address : Tingkat 8 Maju Junction Mall 1001, Jalan Sultan Ismail 50250 Kuala Lumpur
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No 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur.

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8. Where can I get further information

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Or visit www.hlb.com.my**

The information provided in this disclosure sheet is valid as at 31 MARCH 2023

PRODUCT DISCLOSURE SHEET (Versi Bahasa Malaysia)

Read this Product Disclosure Sheet before you decide to take up the Bankers Acceptance facility with Hong Leong Bank Bhd. Be sure to also read the general terms and conditions.

The information provided is merely general information of the product. The terms and conditions indicated in this Product Disclosure Sheet are tentative or indicative and may change at the discretion of the Bank.

Final terms and conditions will be read jointly and superseded as stipulated in the letter of offer and facility agreement (if any) after credit assessment and loan approval.

Seek clarification from your institution if you do not understand any part of this document or the general terms.

**Hong Leong Bank Bhd
Transaction Banking,
Business and Corporate
Banking**
**Product: Bankers Acceptance
(BA)**

Date: / /

1. What is this product about?

Bankers Acceptance (BA) is a usance (payable on a future date) bill of exchange drawn by customer and accepted by the Bank to finance in Ringgit Malaysia (RM) for business-related purchases or sales of goods to another person who may be a resident (any party within Malaysia) or non-resident (any party outside Malaysia), evidenced by proper and adequate documentation. BA facilities are used only for genuine working capital requirements and must not be used to finance purchase of fixed assets or services.

2. What do I get from this product?

- a) BA can be used to finance import, local purchase, export and local sales of goods.
- b) Business activities for the purchase of computer software licenses, trade-related logistic services and the purchase of electricity from independent power-producer may be considered for financing with BNM's prior approval.
- c) Minimum period of financing is 21 days and the maximum period must not exceed the approved financing tenure subject to a maximum period of 365 days.
- d) The minimum financing amount is set at RM50,000 and should be in multiples of RM1,000.

3. What are my obligations?

- a) The documents presented to the Bank to support the acceptance and discounting of the BA must relate to genuine and current trade transactions.
- b) Deliver to the Bank such satisfactory documentary evidence of the trade transaction (e.g. the original invoice, transport documents etc.) as may be required by the Bank.
- c) You have not obtained and will not obtain any other another source of financing for the trade transaction concerned, including financing pursuant to a lease, hire purchase or factoring agreement.
- d) You shall pay the discounted interest and all customary charges at the time of financing and the Bank is authorized to debit your account in the Bank for such payments.
- e) Upon the maturity of the BA, the Bank is authorized to debit your account with the face value of the Bankers Acceptance.
- f) What are the cut-off times to observe for BA issuance?

TRADE PRODUCT	CUT-OFF TIME
BA financing (RENTAS)	12pm
BA financing (Non-RENTAS) <i>* (Foreign currency payment is subject to cut-off time for each currency. Refer to Trade Services Centre for cut-off time for each currency)</i>	2pm*

f) Pricing:

Bankers Acceptance Cost of Funds (BA COF) + Acceptance Commission (Spread) [_% per annum (p.a.)]

Acceptance Commission (Spread)	<ul style="list-style-type: none">• Rate as specified in the Letter of Offer• Minimum RM 50.00• No maximum
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BA discounted proceeds shall be computed based on the formula below:-

$$P = \frac{FV (1 - r \times t)}{36500}$$

Where,

P = Discounted proceeds

FV = Face value of the BA

r = Rate of discount in percentage per annum

t = Number of days remaining to maturity

4. What other charges do I have to pay?

For the full list of fees and charge, please visit our website at:

<https://www.hlb.com.my/content/dam/hlb/my/docs/pdf/Business/trade/trade-fees-and-charges-consolidated.pdf>

5. What if I fail to fulfil my obligations?

- a) A transaction will be converted to past due bill if payment is not received from you on the maturity date. Past due bill shall be charged a penalty interest at Base Lending Rate ("BLR") + penalty rate until repayment date. **The present penalty rate is 3.5%p.a.**
- b) The BA facility and other trade facility(ies) will be suspended immediately.
- c) Right to commence recovery or legal action:
 - (i) **Legal action will be taken if you fail to respond to reminder notices. Your asset may be foreclosed and you will have to bear all costs. You are also responsible to settle any shortfall after your asset is sold.**
 - (ii) The Bank has a right to commence recovery activities (including engaging third party debt collection agencies), foreclosure and bankruptcy proceedings.

Note: Legal action against you may affect your credit rating leading to credit being more difficult or expensive.

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

It is important that you inform us immediately of any change in your contact details to ensure that all correspondences reach you in a timely manner.

7. Where can I get assistance and redress?

- If you have difficulties in making repayments, you should contact us earliest possible to discuss repayment alternatives. You may contact us at:

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Facsimile : 03-7946 8888
E-mail : HLOnline@hlbb.hongleong.com.my

- Alternatively, you may seek the services of:

Khidmat Nasihat Pembiayaan (KNP), a service formalize by Bank Negara Malaysia in collaboration with Credit Guarantee Corporation Malaysia Berhad (CGC) and Agensi Kaunseling & Pengurusan Kredit (AKPK) via MyKNP@CGC that provides financial advisory and recommendations to Small and Medium Enterprises (SMEs) who were unsuccessful in obtaining business financing from banks.

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Telephone : 03-7880 0088

E-mail : myknp@cgc.com.my

Website : <https://imsme.com.my/portal/myknp-cgc-en>

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Telephone : 1-300-88-5465

Fax : 03-2174 1515

E-mail : bnmtelink@bnm.gov.my

Website : www.ofs.org.my

8. Where can I get further information

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50490 Kuala Lumpur
Tel : (03) 7661 7777
Or visit www.hlb.com.my

The information provided in this disclosure sheet is valid as at 31 MARCH 2023

<p>PRODUCT DISCLOSURE SHEET (Versi Bahasa Malaysia)</p> <p>Read this Product Disclosure Sheet before you decide to take up the Onshore Foreign Currency Loan facility with Hong Leong Bank Bhd. Be sure to also read the general terms and conditions.</p> <p>The information provided is merely general information of the product. The terms and conditions indicated in this Product Disclosure Sheet are tentative or indicative and may change at the discretion of the Bank.</p> <p>Final terms and conditions will be read jointly and superseded as stipulated in the letter of offer and facility agreement (if any) after credit assessment and loan approval.</p> <p>Seek clarification from your institution if you do not understand any part of this document or the general terms.</p>	<p>Hong Leong Bank Bhd Transaction Banking, Business and Corporate Banking</p> <p>Product: Onshore Foreign Currency Loan (OFCL)</p> <p>Date: / /</p>
1. What is this product about?	
<p>Onshore Foreign Currency Loan (OFCL), is a trade facility in Foreign Currency (FC) for the financing of domestic and / or international trade related activities involving goods and services such as imports, exports, local purchases (for pure local purchases / export purpose only) and local sales (for pure local sales / where the customer has import or foreign currency obligations) and domestic and foreign operating expenses and services payables which adds to the cost of the trade transaction.</p> <p>Note: For financing of pure local purchases, pure local sales and domestic services and/or operating expenses, the OFCL must be complemented with a Foreign Exchange Contract (FEC) facility.</p>	
2. What do I get from this product?	
<ul style="list-style-type: none"> a) Access to alternate funding in foreign currency at competitive interest rate. b) Improve cash flow for better cash management and business expansion. c) Net exporters have the advantage of natural hedging of exchange risk. d) Minimum period of financing is 5 days and the maximum period must not exceed the approved financing tenure. e) For financing of imports/purchases, the aggregate maximum period of financing, inclusive of the usance period, should not exceed the approved financing tenure. f) For financing of exports/sales, the aggregate maximum period of financing should be based on the credit terms in the invoice or approved financing tenure, whichever is shorter. g) Scope of financing includes operational expenses and services payables. h) OFCL is drawn against presentation of supporting documents and the financing amount is up to 100% of invoice value. The minimum OFCL financing amount is set at USD5,000 or its equivalent. 	
3. What are my obligations?	
<ul style="list-style-type: none"> a) The documents presented to the Bank to support the financing must relate to genuine and current trade transactions. b) Deliver to the Bank such satisfactory documentary evidence of the trade transaction (e.g. the original invoice, transport documents etc.) as may be required by the Bank. c) You have not obtained any and will not obtain another source of financing for the trade transaction concerned, including financing pursuant to a lease, hire purchase or factoring agreement. d) You authorize the Bank to debit your account in the Bank for the payment of any charges, interests, costs or expenses in respect of disbursement and repayment of the OFCL. 	

e) What are the cut-off times to observe for OFCL issuance?

TRADE PRODUCT	CUT-OFF TIME
OFCL financing (RENTAS)	12 pm
OFCL financing (Non-RENTAS) <i>*(Foreign currency payment is subject to cut-off time for each currency. Refer to Trade Services Centre for cut-off time for each currency)</i>	2 pm*

f) Pricing:

Foreign Currency Effective Cost of Funds (FC ECOF) + Interest (Spread) [_% per annum (p.a.)]

Interest (Spread): Rate as specified in the Letter of Offer

Pricing shall be computed from the financing date until payment is received on maturity date:-

Pricing = $\frac{\text{Principal} \times (\text{FC ECOF} + \text{Interest (Spread)}) \times \text{Tenure}}{360^* / 365}$

* 360 days for USD

4. What other charges do I have to pay?

For the full list of fees and charge, please visit our website at:

<https://www.hlb.com.my/content/dam/hlb/my/docs/pdf/Business/trade/trade-fees-and-charges-consolidated.pdf>

5. What if I fail to fulfil my obligations?

- a) If you fail to pay the Bank on Maturity Date, the Bank may at its sole and absolute discretion convert the overdue amount or any part thereof into Ringgit Malaysia at the Bank's prevailing rate of exchange on the date of conversion.
- b) Past due bill shall be charged a penalty interest at Base Lending Rate ("BLR") + penalty rate until repayment date.
The present penalty rate is 3.5% p.a.
- c) The OFCL facility and other trade facility(ies) will be suspended immediately.
- d) Right to commence recovery or legal action:
 - (i) **Legal action will be taken if you fail to respond to reminder notices. Your asset may be foreclosed and you will have to bear all costs. You are also responsible to settle any shortfall after your asset is sold.**
 - (ii) The Bank has a right to commence recovery activities (including engaging third party debt collection agencies), foreclosure and bankruptcy proceedings.

Note: Legal action against you may affect your credit rating leading to credit being more difficult or expensive.

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

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7. Where can I get assistance and redress?

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Facsimile : 03-7946 8888
E-mail : HLOnline@hlbb.hongleong.com.my

- Alternatively, you may seek the services of:

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Telephone : 03-7880 0088

E-mail : myknp@cgc.com.my

Website : <https://imsme.com.my/portal/myknp-cgc-en>

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Fax : 03-2174 1515

E-mail : bnmtelelink@bnm.gov.my

Website : www.ofs.org.my

8. Where can I get further information

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The information provided in this disclosure sheet is valid as at 31 MARCH 2023

PRODUCT DISCLOSURE SHEET (Versi Bahasa Malaysia)

Read this Product Disclosure Sheet before you decide to take up the Invoice Financing facility with Hong Leong Bank Bhd. Be sure to also read the general terms and conditions.

The information provided is merely general information of the product. The terms and conditions indicated in this Product Disclosure Sheet are tentative or indicative and may change at the discretion of the Bank.

Final terms and conditions will be read jointly and superseded as stipulated in the letter of offer and facility agreement (if any) after credit assessment and loan approval.

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Hong Leong Bank Bhd
Transaction Banking,
Business and Corporate
Banking

Product: Invoice Financing (IVF)

Date: / /

1. What is this product about?

Invoice Financing (IVF) is the financing in Ringgit Malaysia (RM) for customer's trade related exports and local sales (on credit) or imports and local purchases [cash/sight (immediate payment) terms or remaining usance (payable on a future date) for credit purchases]. Additionally, IVF also allows financing of domestic and / or foreign operating expenses and / or services payables which adds to the cost of the trade transaction. The IVF facilities are to be used only for genuine working capital purposes and must not be used to finance the customer's purchase of fixed assets.

2. What do I get from this product?

- a) Scope of financing that includes - Operational Expenses and Services payables.
- b) Minimum period of financing is 5 days and the maximum period must not exceed the approved financing tenure.
- c) The minimum financing amount is RM1,000.

3. What are my obligations?

- a) The documents presented to the Bank to support the financing must relate to genuine and current trade transactions.
- b) Deliver to the Bank such satisfactory documentary evidence of the trade transaction (e.g. the original invoice, transport documents etc.) as may be required by the Bank.
- c) You have not obtained and will not obtain any other source of financing for the trade transaction concerned, including financing pursuant to a lease, hire purchase or factoring agreement.
- d) You authorize the Bank to debit your account in the Bank for the payment of any charges, interests, costs or expenses in respect of disbursement and repayment of the IVF.
- e) What are the cut-off times to observe for IVF issuance?

TRADE PRODUCT	CUT-OFF TIME
IVF financing (RENTAS)	12 pm
IVF financing (Non-RENTAS) <i>* (Foreign currency payment is subject to cut-off time for each currency. Refer to Trade Services Centre for cut-off time for each currency)</i>	2 pm *

f) Pricing:

IVF Cost Of Funds (IVF COF) + Interest (Spread) [_% per annum (p.a.)]

Interest (Spread)	<ul style="list-style-type: none">• Rate as specified in the Letter of Offer• Minimum RM 50.00• No maximum
-------------------	--

Pricing shall be computed from the financing date until payment is received on maturity date:-

$$\text{Pricing} = \frac{\text{Principal} \times (\text{IVF COF} + \text{Interest (Spread)}) \times \text{Tenure}}{365}$$

4. What other charges do I have to pay?

For the full list of fees and charge, please visit our website at:

<https://www.hlb.com.my/content/dam/hlb/my/docs/pdf/Business/trade/trade-fees-and-charges-consolidated.pdf>

5. What if I fail to fulfil my obligations?

- a) A transaction will be converted to past due bill if payment is not received from you on the maturity date. Past due bill shall be charged a penalty interest at Base Lending Rate ("BLR") + penalty rate until repayment date. **The present penalty rate is 3.5%p.a.**
- b) The IVF facility and other trade facility(ies) will be suspended immediately.
- c) Right to commence recovery or legal action:
 - (i) **Legal action will be taken if you fail to respond to reminder notices. Your asset may be foreclosed and you will have to bear all costs. You are also responsible to settle any shortfall after your asset is sold.**
 - (ii) The Bank has a right to commence recovery activities (including engaging third party debt collection agencies), foreclosure and bankruptcy proceedings.

Note: Legal action against you may affect your credit rating leading to credit being more difficult or expensive.

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

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<https://www.cgc.com.my/cgc-branches>

Telephone : 03-7880 0088

E-mail : myknp@cgc.com.my

Website : <https://imsme.com.my/portal/myknp-cgc-en>

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The information provided in this disclosure sheet is valid as at 31 MARCH 2023.

PRODUCT DISCLOSURE SHEET (Versi Bahasa Malaysia)

Read this Product Disclosure Sheet before you decide to take up the Trust Receipt facility with Hong Leong Bank Bhd. Be sure to also read the general terms and conditions.

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Hong Leong Bank Bhd
Transaction Banking,
Business and Corporate
Banking

Product: Trust Receipt (TR)

Date: / /

1. What is this product about?

Trust Receipt (TR) is a method of financing in Ringgit Malaysia (RM) whereby the Bank retains the legal title to the goods but relinquishes physical possession to the buyer / importer of the goods who acts as trustee or agent of the bank. The buyer / importer will dispose the goods and repay the Bank (amount owing plus interest) out of the proceeds of the sale on or before maturity of the TR.

TR is strictly for financing of working capital requirements and must not be used to finance purchase of fixed assets i.e. plant, machinery etc.

2. What do I get from this product?

- a) Allows you to take possession of the goods without having to use your own funds immediately.
- b) Early settlement option available with interest calculated up to settlement date only.
- c) Improve cash flow by having additional time to convert your goods into cash.
- d) TR financing is in Ringgit Malaysia and the eligible margin of financing is 100% value of the invoice or part thereof.

3. What are my obligations?

- a) The documents presented to the Bank to support the financing must relate to genuine and current trade transactions.
- b) Deliver to the Bank such satisfactory documentary evidence of the trade transaction (e.g. the original invoice, transport documents etc.) as may be required by the Bank.
- c) You have not obtained and will not obtain any other source of financing for the trade transaction concerned, including financing pursuant to a lease, hire purchase or factoring agreement.
- d) You authorize the Bank to debit your account in the Bank for the payment of any charges, interests, costs or expenses in respect of disbursement and repayment of the TR.
- e) What are the cut-off times to observe for TR issuance?

TRADE PRODUCT	CUT-OFF TIME
TR financing (RENTAS)	12 pm
TR financing (Non-RENTAS) * (Foreign currency payment is subject to cut-off time for each currency. Refer to Trade Services Centre for cut-off time for each currency)	2 pm*

f) Pricing:

Base Lending Rate (BLR) + Interest (Spread) [_% per annum (p.a.)]

Interest (Spread)	If documents presented directly by customer		In addition, rate as specified in the Letter of Offer
	For bills denominated in foreign currency	<ul style="list-style-type: none">• 0.10% flat.• Minimum RM 50.00• Maximum RM 150.00	
	For bills denominated in local currency	<ul style="list-style-type: none">• 0.10% flat.• Minimum RM 50.00• Maximum RM 500.00	

Pricing shall be computed from the financing date until payment is received on maturity date:-

$$\text{Pricing} = \frac{\text{Principal} \times (\text{BLR} + \text{Interest (Spread)}) \times \text{Tenure}}{365}$$

4. What other charges do I have to pay?

For the full list of fees and charge, please visit our website at:

<https://www.hlb.com.my/content/dam/hlb/my/docs/pdf/Business/trade/trade-fees-and-charges-consolidated.pdf>

5. What if I fail to fulfil my obligations?

- a) A transaction will be converted to past due bill if payment is not received from you on the maturity date.
- b) A past due bill shall be charged a penalty interest at **Prescribed Rate (Pricing) + 1%** until repayment date.
- c) The TR facility and other trade facility(ies) will be suspended immediately.
- d) Right to commence recovery or legal action:
 - (i) **Legal action will be taken if you fail to respond to reminder notices. Your asset may be foreclosed and you will have to bear all costs. You are also responsible to settle any shortfall after your asset is sold.**
 - (ii) The Bank has a right to commence recovery activities (including engaging third party debt collection agencies), foreclosure and bankruptcy proceedings.

Note: Legal action against you may affect your credit rating leading to credit being more difficult or expensive.

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

It is important that you inform us immediately of any change in your contact details to ensure that all correspondences reach you in a timely manner.

7. Where can I get assistance and redress?

- If you have difficulties in making repayments, you should contact us earliest possible to discuss repayment alternatives. You may contact us at:

Contact Center : 03-7626 8899 /03-7661 7777
Facsimile : 03-7946 8888
E-mail : HLOnline@hlbb.hongleong.com.my

- Alternatively, you may seek the services of:

Khidmat Nasihat Pembiayaan (KNP), a service formalize by Bank Negara Malaysia in collaboration with Credit Guarantee Corporation Malaysia Berhad (CGC) and Agensi Kaunseling & Pengurusan Kredit (AKPK) via MyKNP@CGC that provides financial advisory and recommendations to Small and Medium Enterprises (SMEs) who were unsuccessful in obtaining business financing from banks.

You may contact KNP at:

a) MyKNP@CGC Advisory Unit Under CGC

Address : CGC Advisory at any CGC branches nationwide. Please refer to CGC website for the branch location
<https://www.cgc.com.my/cgc-branches>

Telephone : 03-7880 0088

E-mail : myknp@cgc.com.my

Website : <https://imsme.com.my/portal/myknp-cgc-en>

b) Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia as a one-stop platform for both individuals and SMEs seeking debts restructuring services, as well as financial education and credit advisory. You may contact AKPK at:

Agensi Kaunseling dan Pengurusan Kredit (AKPK)

Address : Tingkat 8 Maju Junction Mall 1001, Jalan Sultan Ismail 50250 Kuala Lumpur

Telephone : 03- 2616 7766

E-mail : enquiry@akpk.org.my

• To make a complaint on products or services offered, you may contact us at:

Customer Advocacy

Level 13A Floor, Menara Hong Leong,
No 6, Jalan Damanlela, Bukit Damansara,
50490 Kuala Lumpur.

Phone: 03-76268801/03-76268802/03-76268812

E-mail: customerservice@hlbb.hongleong.com.my

• If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia at:

Bank Negara Malaysia LINK or BNMTELELINK

Address : Block D, Bank Negara Malaysia Jalan Dato' Onn 50480 Kuala Lumpur.

Telephone : 1-300-88-5465

Fax : 03-2174 1515

E-mail : bnmteleshop@bnm.gov.my

Website : www.ofs.org.my

8. Where can I get further information

Should you require additional information, please contact us at:

Trade Sales & Product
Hong Leong Bank Berhad
Level 10, Menara Hong Leong
6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Tel : (03) 7661 7777
Or visit www.hlb.com.my

PRODUCT DISCLOSURE SHEET ([Versi Bahasa Malaysia](#))

Read this Product Disclosure Sheet before you decide to take up the Foreign / Domestic Bill of Exchange Purchased facility with Hong Leong Bank Bhd. Be sure to also read the general terms and conditions.

The information provided is merely general information of the product. The terms and conditions indicated in this Product Disclosure Sheet are tentative or indicative and may change at the discretion of the Bank.

Final terms and conditions will be read jointly and superseded as stipulated in the letter of offer and facility agreement (if any) after credit assessment and loan approval.

Seek clarification from your institution if you do not understand any part of this document or the general terms.

**Hong Leong Bank Bhd
Transaction Banking,
Business and Corporate
Banking**

**Product: Foreign / Domestic
Bill of Exchange Purchased
(FBEP/DBEP)**

Date: / /

1. What is this product about?***Foreign Bill of Exchange Purchased (FBEP)***

Foreign Bill of Exchange Purchased (FBEP) is an export financing facility in foreign currency (FC) granted to our customer (Exporter) whereby our Bank purchases the export documents drawn on overseas buyer under Collection or Letter of Credit (LC), proceeds of which are credited to the exporter's account pending receipt of payment.

Domestic Bill of Exchange Purchased (DBEP)

Domestic Bill of Exchange Purchased (DBEP) is a financing facility in Ringgit Malaysia (RM) granted to our customer (Seller) whereby our Bank purchases his sales documents which is drawn on local buyer under Collection or LC, proceeds of which are credited to the seller's account pending receipt of payment.

Documents for collection are subject to the Uniform Rules for Collection, International Chamber of Commerce Publication currently in force. Documents presented under documentary credits are subject to Uniform Customs and Practices for Documentary Credits, International Chamber of Commerce Publication currently in force.

2. What do I get from this product?

- a) Advances granted will improve cash flow to fund your working capital requirements.
- b) This facility can also be used to purchase discrepant documents under Letter of Credit.

3. What are my obligations?

- a) You have not obtained and will not obtain any other source of financing for the trade transaction concerned.
- b) Deliver to the Bank such satisfactory documentary evidence of the trade transaction (e.g. the original invoice, transport documents etc.) as may be required by the Bank or LC.
- c) If the bill is purchased and advance is given by the Bank (including cases where the Bank has claimed reimbursement from the reimbursing bank), it is subject to the condition that in the event the Issuing Bank/ Collecting Bank dishonours the bill, you shall repay to the Bank all such moneys advanced / paid by the Bank together with interest thereon at the rate as may be determined by the Bank and all costs and expenses incurred by the Bank in relation thereto.
- d) You authorize the Bank to debit your account in the Bank for the payment of any charges, interests, costs or expenses in respect of disbursement and repayment of the FBEP/DBEP.

e) What are the cut-off times to observe for FBEP/DBEP issuance?

TRADE PRODUCT	CUT-OFF TIME
FBEP/DBEP financing (RENTAS)	12 pm
FBEP/DBEP financing (Non-RENTAS) * (Foreign currency payment is subject to cut-off time for each currency. Refer to Trade Services Centre for cut-off time for each currency)	2 pm*

f) Pricing:

(i) FBEP: Foreign Currency Effective Cost of Funds (FC ECOF) + Interest (Spread) [_% per annum (p.a.)]

Interest (Spread)	<ul style="list-style-type: none"> • 0.10% flat on bill amount • Minimum RM 50.00 • Maximum RM 150.00 <p>In addition, rate as specified in the Letter of Offer applies (For earmarking against Financial Institution (FI) limit, the rate is subject to FI Risk & Country / Sovereign Risk - please refer to Trade Sales)</p>
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(ii) DBEP: Base Lending Rate (BLR) + Interest (Spread) [_% p.a.]

Interest (Spread)	<ul style="list-style-type: none"> • 0.10% flat on bill amount • Minimum RM 50.00 • Maximum RM 500.00 <p>In addition, rate as specified in the Letter of Offer applies (For earmarking against Financial Institution (FI) limit, the rate is subject to FI Risk & Country / Sovereign Risk - please refer to Trade Sales)</p>
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For sight (payment against receipt of document) bill

Pricing shall be computed from the financing date until reimbursement is received for sight bill.

$$\text{Pricing} = \frac{\text{Principal} \times (\text{FC ECOF} / \text{BLR} + \text{Interest (Spread)}) \times \text{Tenure}}{360^* / 365}$$

* 360 days for USD

For usance (payment after a specified period from acceptance of document) bill

Customer will be advanced the discounted proceeds where the interest is payable upfront.

$$\text{Discounted proceeds} = \frac{P [1 - (\text{FC ECOF} / \text{BLR} + \text{Interest (Spread)}) \times \text{Tenure}]}{360^* / 365}$$

* 360 days for USD

4. What other charges do I have to pay?

For the full list of fees and charge, please visit our website at:

<https://www.hlb.com.my/content/dam/hlb/my/docs/pdf/Business/trade/trade-fees-and-charges-consolidated.pdf>

5. What if I fail to fulfil my obligations?

- a) In the event that you fail to settle and repay the Bank on due date, the Bank may convert the past due amount or any part thereof into Ringgit Malaysia at the Bank's prevailing rate of exchange on the date of conversion.
- b) A transaction will be converted to past due bill if payment is not received from you on the maturity date. **Past due bill shall be charged a penalty interest at Prescribed Rate (Pricing) + 1% until repayment date.**
- c) The FBEP/DBEP facility and other trade facility(ies) will be suspended immediately.
- d) Right to commence recovery or legal action:
 - (i) **Legal action will be taken if you fail to respond to reminder notices. Your asset may be foreclosed and you will have to bear all costs. You are also responsible to settle any shortfall after your asset is sold.**
 - (ii) The Bank has a right to commence recovery activities (including engaging third party debt collection agencies), foreclosure and bankruptcy proceedings.

Note: Legal action against you may affect your credit rating leading to credit being more difficult or expensive.

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

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Facsimile : 03-7946 8888
E-mail : HLOnline@hlbb.hongleong.com.my

- Alternatively, you may seek the services of:

Khidmat Nasihat Pembiayaan (KNP), a service formalize by Bank Negara Malaysia in collaboration with Credit Guarantee Corporation Malaysia Berhad (CGC) and Agensi Kaunseling & Pengurusan Kredit (AKPK) via MyKNP@CGC that provides financial advisory and recommendations to Small and Medium Enterprises (SMEs) who were unsuccessful in obtaining business financing from banks.

You may contact KNP at:

- a) MyKNP@CGC Advisory Unit Under CGC

Address : CGC Advisory at any CGC branches nationwide. Please refer to CGC website for the branch location
<https://www.cgc.com.my/cgc-branches>
Telephone : 03-7880 0088
E-mail : myknp@cgc.com.my
Website : <https://imsme.com.my/portal/myknp-cgc-en>

- b) Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia as a one- stop platform for both individuals and SMEs seeking debts restructuring services, as well as financial education and credit advisory. You may contact AKPK at:

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- If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia at:

Bank Negara Malaysia LINK or BNMTELELINK

Address : Block D, Bank Negara Malaysia Jalan Dato' Onn 50480 Kuala Lumpur.

Telephone : 1-300-88-5465

Fax : 03-2174 1515

E-mail : bnmtelelink@bnm.gov.my

Website : www.ofs.org.my

8. Where can I get further information

Should you require additional information, please contact us at:

**Trade Sales & Product
Hong Leong Bank Berhad
Level 10, Menara Hong Leong
6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Tel : (03) 7661 7777
Or visit www.hlb.com.my**

The information provided in this disclosure sheet is valid as at 31 MARCH 2023.

PRODUCT DISCLOSURE SHEET (Versi Bahasa Malaysia)

Read this Product Disclosure Sheet before you decide to take up the Foreign / Domestic Bill of Exchange Purchased - Authority to Purchase facility with Hong Leong Bank Bhd. Be sure to also read the terms and conditions (wheresoever contained).

The information provided is merely general information of the product. The terms and conditions indicated in this Product Disclosure Sheet are tentative or indicative and may change at the discretion of the Bank.

Final terms and conditions will be read jointly and superseded as stipulated by the letter of offer (if any), facility agreement (if any), letter of indemnity (if any), application form(s) and/or such other agreement(s)/ documents (if any) after credit assessment and loan approval.

Please seek clarification from Hong Leong Bank Bhd if you do not understand any part of this document or the general terms.

**Hong Leong Bank Bhd
Transaction Banking,
Business and Corporate
Banking**

**Product: Foreign / Domestic
Bill of Exchange Purchased-
Authority to Purchase
[FBEP/DBEP(AP)]**

Date: / /

1. What is this product about?***Foreign Bill of Exchange Purchased (Authority to Purchase) [FBEP(AP)]***

Foreign Bill of Exchange Purchased (Authority to Purchase) [FBEP(AP)] is a facility/service whereby our Bank provides financing/ advances to our customer (Exporter) by negotiating/purchasing/discounting its export shipping documents presented with or without bills of exchange [sight (immediate payment) / usance (payable on a future date)] drawn by customer under an Inward Letter of Credit (ILC) in compliance with the terms and conditions of the ILC.

Domestic Bill of Exchange Purchased (Authority to Purchase) [DBEP(AP)]

Domestic Bill of Exchange Purchased (Authority to Purchase) [DBEP(AP)] is a facility/service whereby our Bank provides financing/ advances to our customer (Seller) by negotiating/purchasing/discounting its Invoice and Delivery Order presented with or without bills of exchange (sight/usance) drawn by customer under an Inward Letter of Credit (ILC) in compliance with the terms and conditions of the ILC.

The financing requires the Bank to check your documents to ensure compliance against the Letter of Credit (LC). After the advance, the Bank will forward the documents to the issuing bank for payment.

Documents presented under documentary credits are subject to Uniform Customs and Practices for Documentary Credits, International Chamber of Commerce Publication currently in force and as may be amended from time to time.

2. What do I get from this product?

- a) Advances granted will improve cash flow to fund your working capital requirements.
- b) The ILC provides you with the certainty that the Buyer cannot amend/cancel without your consent.
- c) Simple and clear-cut financing requirements.

3. What are my obligations?

- a) You have not obtained and will not obtain any other source of financing for the trade transaction concerned.
- b) Deliver to the Bank such satisfactory documentary evidence of the trade transaction (e.g. the original invoice, transport documents etc.) as may be required by the Bank or the LC.
- c) If the bill is purchased and advance is given by the Bank (including cases where the Bank has claimed reimbursement from the reimbursing bank), it is subject to the condition that in the event the LC issuing bank/collecting bank dishonours the bill, you shall repay to the Bank all such moneys advanced / paid by the Bank together with interest thereon at the rate as may be determined by the Bank and all costs and expenses incurred by the Bank in relation thereto.

d) You authorize the Bank to debit your account in the Bank for the payment of any fees, charges, interests, costs or expenses in respect of disbursement and repayment of the FBEP/DBEP(AP).

e) What are the cut-off times to observe for FBEP(AP)/DBEP(AP) issuance?

TRADE PRODUCT	CUT OFF TIME
FBEP(AP)/DBEP(AP)financing (RENTAS)	12 pm
FBEP(AP)/DBEP(AP) financing (Non-RENTAS) * (Foreign currency payment is subject to the cut-off time for each currency. Refer to Trade Services Centre for cut-off time for each currency)	2 pm*

f) Pricing:

(i) FBEP (AP): Foreign Currency Effective Cost of Funds (FC ECOF) + Interest (Spread) [_% per annum (p.a.)]

Interest (Spread)	<ul style="list-style-type: none"> • 0.10% flat on bill amount • Minimum RM 50.00 • Maximum RM 150.00 <p>In addition, rate as specified in the Letter of Offer applies (For earmarking against Financial Institution (FI) limit, the rate is subject to FI Risk & Country / Sovereign Risk - please refer to Trade Sales)</p>
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(ii) DBEP (AP): Base Lending Rate (BLR) or Cost of Funds (RM COF) + Interest (Spread) [_%p.a.]

Interest (Spread)	<ul style="list-style-type: none"> • 0.10% flat on bill amount • Minimum RM 50.00 • Maximum RM 500.00 <p>In addition, rate as specified in the Letter of Offer applies (For earmarking against Financial Institution (FI) limit, the rate is subject to FI Risk & Country / Sovereign Risk - please refer to Trade Sales)</p>
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For sight (payment against receipt of document) bill

Pricing shall be computed from the financing date until reimbursement is received for sight bill.

Pricing = $\text{Principal} \times (\text{FC ECOF} / \text{BLR} + \text{Interest (Spread)}) \times \text{Tenure} / 360^* / 365$

* 360 days for USD

For usance (payment after a specified period from acceptance of document) bill

Customer will be advanced the discounted proceeds where the interest is payable upfront.

Discounted proceeds = $\text{Principal} [1 - (\text{FC ECOF} / \text{BLR} + \text{Interest (Spread)}) \times \text{Tenure} / 360^* / 365]$

* 360 days for USD

(iii) Inward Letter of Credit (ILC):

Commission	Add Confirmation	<ul style="list-style-type: none"> • Subject to FI & Country / Sovereign Risk • Minimum RM 50.00 • No maximum <p>Please refer to Trade Sales</p>
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4. What other charges do I have to pay?

For the full list of fees and charge, please visit our website at:

<https://www.hlb.com.my/content/dam/hlb/my/docs/pdf/Business/trade/trade-fees-and-charges-consolidated.pdf>

5. What if I fail to fulfil my obligations?

- a) In the event that you fail to settle and repay to the Bank on due date, the Bank may convert the past due amount or any part thereof into Ringgit Malaysia at the Bank's prevailing rate of exchange on the date of conversion.
- b) A transaction will be converted to past due bill if payment is not received from you on the maturity date. Past due bill shall be charged a penalty interest at Prescribed Rate (Pricing) + 1% until repayment date or such other rate(s) as may be notified by the Bank from time to time.
- c) The FBEP(AP) / DBEP(AP) facility and other trade facility(ies) will be suspended immediately.
- d) Right to commence recovery or legal action:
 - (i) Legal action will be taken if you fail to respond to reminder notices. Your asset (secured to the Bank or connected to the LC) may be foreclosed and you will have to bear all costs. You are also responsible to settle any shortfall after your asset is sold.
 - (ii) The Bank has a right to commence recovery activities (including engaging third party debt collection agencies), foreclosure and/or bankruptcy proceedings.

Note: Legal action against you may affect your credit rating leading to credit being more difficult or expensive.

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

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7. Where can I get assistance and redress?

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You may contact KNP at:

- a) MyKNP@CGC Advisory Unit Under CGC

Address : CGC Advisory at any CGC branches nationwide. Please refer to CGC website for the branch location
<https://www.cgc.com.my/cgc-branches>
Telephone : 03-7880 0088
E-mail : myknp@cgc.com.my
Website : <https://imsme.com.my/portal/myknp-cgc-en>

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Address : Tingkat 8 Maju Junction Mall 1001, Jalan Sultan Ismail 50250 Kuala Lumpur

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- If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia at:

Bank Negara Malaysia LINK or BNMTELELINK

Address : Block D, Bank Negara Malaysia Jalan Dato' Onn 50480 Kuala Lumpur.

Telephone : 1-300-88-5465

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50490 Kuala Lumpur
Tel : (03) 7661 7777
Or visit www.hlb.com.my

The information provided in this disclosure sheet is valid as at 31 MARCH 2023.

PRODUCT DISCLOSURE SHEET ([Versi Bahasa Malaysia](#))

Read this Product Disclosure Sheet before you decide to take up the Advance Against Trade facility with Hong Leong Bank Bhd. Be sure to also read the general terms and conditions.

The information provided is merely general information of the product. The terms and conditions indicated in this Product Disclosure Sheet are tentative or indicative and may change at the discretion of the Bank.

Final terms and conditions will be read jointly and superseded as stipulated in the letter of offer and facility agreement (if any) after credit assessment and loan approval.

Seek clarification from your institution if you do not understand any part of this document or the general terms.

**Hong Leong Bank Bhd
Transaction Banking,
Business and Corporate
Banking**

**Product: Advance Against
Trade (AAT)**

Date: / /

1. What is this product about?

Advance Against Trade (AAT) is a financing facility in Ringgit Malaysia (RM) made available to direct exporters to

- i) finance their purchase of domestic and/or foreign inputs prior to shipment (it must not be used to finance the customers' purchase of fixed assets.)
- ii) finance the post shipment portion (upon shipment) of their export of goods to overseas buyers.

AAT financing is divided into two types, namely Pre-shipment and Post-shipment financing:

1. Advance Against Trade - Pre-shipment financing ("AAT-Pre")

The AAT-Pre is used as an advance payment for genuine purchases of raw materials/working capital requirements for production of goods for export that is related to customers' nature of business.

Upon the financing of the corresponding Advance Against Trade - Post shipment (AAT-Post) transaction, the financing proceeds must be used to offset the outstanding AAT-Pre financing first before the balance (if any) is credited to customer's account in the Bank. The AAT-Pre financing may also be offset with proceeds from other pre-existing post-shipment financing products offered to the customer.

2. Advance Against Trade - Post-shipment financing ("AAT-Post")

The AAT-Post is to finance the post shipment portion of direct exporter's sales of goods to overseas buyers.

2. What do I get from this product?

- a) The AAT provides exporters with ready access to credit facilities at competitive interest rates.
- b) AAT financing provides working capital upon receipt of export orders.
- c) Allows the exporter to pay their suppliers early and secure better pricing.

d)

Product	Minimum Period of Financing	Maximum Period of Financing	Minimum Financing Amount
AAT-Pre	7 days	Generally, set at 90 days to coincide with customers' production cycle	RM20,000
AAT-Post	7 days	Generally, set at 120 days to coincide with customers' operating cycle based on sales credit terms/ receivable period.	RM20,000

3. What are my obligations?

- a) To place in the Bank's custody upon AAT-Pre drawdown, the original Letter of Credit (LC) or original/certified copy of Purchase Order (PO) or Sales Contract (SC) signed by your Authorized Personnel and thereafter you will not accept any amendment, variation or cancellation of the said LC/PO/SC without giving the Bank prior written notification.
- b) To deliver to the Bank upon AAT-Post drawdown, all drafts and documents related to the negotiation of the said LC, namely the Invoice(s) and Transport Documents etc. of the said PO or SC prior to the maturity date of the related AAT-Pre granted.
- c) You must utilize the financing proceeds from correlating AAT-Post or other existing Post-Shipment Financing facilities offered by the Bank to offset the outstanding AAT-Pre bill, before the residual balance of the said financing proceeds (if any) is credited to your account in the Bank.
- d) You have not obtained and will not obtain any other source of financing for the trade transaction concerned.
- e) The documents presented to the Bank to support the financing must relate to genuine and current trade transactions.
- f) You authorize the Bank to debit your account in the Bank for the interest and any charges, costs or expenses with respect to this Advance Against Trade.
- g) What are the cut-off times to observe for AAT issuance?

TRADE PRODUCT	CUT OFF TIME
AAT financing (RENTAS)	12 pm
AAT financing (Non-RENTAS) <i>* (Foreign currency payment is subject to cut-off time for each currency. Refer to Trade Services Centre for cut-off time for each currency)</i>	2 pm*

h) Pricing:

AAT Cost of Funds (AAT COF) + Interest (Spread) [_% per annum (p.a.)]

AAT Pre

Pricing shall be computed from the financing date until payment is received on maturity date:-

Pricing = $\frac{\text{Principal} \times (\text{AAT COF} + \text{Interest (Spread)}) \times \text{Tenure}}{365}$

Interest (Spread)	<ul style="list-style-type: none">Rate as specified in the Letter of Offer.
Penalty	<ul style="list-style-type: none">0.125% for non-presentation of export documents upon due date of AAT-Pre and/or non-receipt of amendment(s) effected on Export LC/ Purchase Order/Sales Contract issued by Overseas Buyer.0.125% on AAT-Pre settlement amount for early settlement via debiting of Current Account without presentation of Export documents through the Bank.

AAT Post

Customer will be advanced the discounted proceeds where the interest is payable upfront.

Discounted proceeds = $\frac{\text{P} [1 - (\text{AAT COF} + \text{Interest (Spread)}) \times \text{Tenure}]}{365}$

Interest (Spread): Rate as specified in the Letter of Offer

4. What other charges do I have to pay?

For the full list of fees and charge, please visit our website at:

<https://www.hlb.com.my/content/dam/hlb/my/docs/pdf/Business/trade/trade-fees-and-charges-consolidated.pdf>

5. What if I fail to fulfil my obligations?

- a) An early or partial settlement of AAT-Post via debiting of your account in the Bank without presentation of export documents through the Bank attracts penalty charge of 0.125% against the settlement amount.
- b) A transaction will be converted to past due bill if payment is not received from you on the maturity date.
- c) Past due bill shall be charged a penalty interest at Base Lending Rate ("BLR") + penalty rate until repayment date. **The present penalty rate is 3.5% p.a.**
- d) The AAT facility and other trade facility(ies) will be suspended immediately.
- e) Right to commence recovery or legal action:
 - a. **Legal action will be taken if you fail to respond to reminder notices. Your asset may be foreclosed and you will have to bear all costs. You are also responsible to settle any shortfall after your asset is sold.**
 - b. The Bank has a right to commence recovery activities (including engaging third party debt collection agencies), foreclosure and bankruptcy proceedings.

Note: Legal action against you may affect your credit rating leading to credit being more difficult or expensive.

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

It is important that you inform us immediately of any change in your contact details to ensure that all correspondences reach you in a timely manner.

7. Where can I get assistance and redress?

- If you have difficulties in making repayments, you should contact us earliest possible to discuss repayment alternatives. You may contact us at:

Contact Center : 03-7626 8899 /03-7661 7777
Facsimile : 03-7946 8888
E-mail : HLOnline@hlbb.hongleong.com.my

- Alternatively, you may seek the services of:

Khidmat Nasihat Pembiayaan (KNP), a service formalize by Bank Negara Malaysia in collaboration with Credit Guarantee Corporation Malaysia Berhad (CGC) and Agensi Kaunseling & Pengurusan Kredit (AKPK) via MyKNP@CGC that provides financial advisory and recommendations to Small and Medium Enterprises (SMEs) who were unsuccessful in obtaining business financing from banks.

You may contact KNP at:

- a) MyKNP@CGC Advisory Unit Under CGC

Address : CGC Advisory at any CGC branches nationwide. Please refer to CGC website for the branch location
<https://www.cgc.com.my/cgc-branches>
Telephone : 03-7880 0088
E-mail : myknp@cgc.com.my
Website : <https://imsme.com.my/portal/myknp-cgc-en>

- b) Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia as a one-stop platform for both individuals and SMEs seeking debts restructuring services, as well as financial education and credit advisory. You may contact AKPK at:

Agensi Kaunseling dan Pengurusan Kredit (AKPK)
Address : Tingkat 8 Maju Junction Mall 1001, Jalan Sultan Ismail 50250 Kuala Lumpur
Telephone : 03- 2616 7766
E-mail : enquiry@akpk.org.my

- To make a complaint on products or services offered, you may contact us at:

Customer Advocacy
Level 13A Floor, Menara Hong Leong,
No 6, Jalan Damanlela, Bukit Damansara,
50490 Kuala Lumpur.
Phone: 03-76268801/03-76268802/03-76268812
E-mail: customerservice@hlbb.hongleong.com.my

- If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia at:

Bank Negara Malaysia LINK or BNMTELELINK
Address : Block D, Bank Negara Malaysia Jalan Dato' Onn 50480 Kuala Lumpur.
Telephone : 1-300-88-5465
Fax : 03-2174 1515
E-mail : bnmtelelink@bnm.gov.my
Website : www.ofs.org.my

8. Where can I get further information

Should you require additional information, please contact us at:

**Trade Sales & Product
Hong Leong Bank Berhad
Level 10, Menara Hong Leong
6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Tel : (03) 7661 7777
Or visit www.hlb.com.my**

The information provided in this disclosure sheet is valid as at 31 MARCH 2023.

PRODUCT DISCLOSURE SHEET ([Versi Bahasa Malaysia](#))

Read this Product Disclosure Sheet before you decide to take up Export Credit Refinancing facility with Hong Leong Bank Bhd. Be sure to also read the general terms and conditions.

The information provided is merely general information of the product. The terms and conditions indicated in this Product Disclosure Sheet are tentative or indicative and may change at the discretion of the Bank.

Final terms and conditions will be read jointly and superseded as stipulated in the letter of offer and facility agreement (if any) after credit assessment and loan approval.

Seek clarification from your institution if you do not understand any part of this document or the general terms.

**Hong Leong Bank Bhd
Transaction Banking,
Business and Corporate
Banking**

**Product: Export Credit
Refinancing (ECR)**

Date: / /

1. What is this product about?

Export Credit Refinancing (ECR) is a short-term financing scheme in Ringgit Malaysia (RM) provided to direct/indirect exporters by Export- Import Bank of Malaysia (Exim Bank) through designated commercial banks. ECR financing is divided into two types, namely Pre-shipment and Post-shipment financing:

Export Credit Refinancing Pre-shipment financing (“ECR Pre”)

ECR Pre facility is defined as loan advanced by Exim Bank to facilitate the production of eligible goods for export prior to shipment and to promote backward linkages in export-oriented industries by providing financing to the indirect exporters (local suppliers to exporters).

This facility is available to direct and indirect exporters (local suppliers to exporter) to fund their purchases of domestic inputs and overhead expenses incurred in relation to the production of eligible goods.

Export Credit Refinancing Post-shipment financing (“ECR Post”)

ECR Post facility is defined as loan advanced by Exim Bank to finance exports of eligible goods on usance (payable on a future date) terms at a certain prescribed interest rate. The eligible goods are agricultural products, selected primary commodities and manufactured products that have significant value-added and utilization of local indigenous resources.

2. What do I get from this product?

- a) ECR facility provides exporters with ready access to credit facilities at competitive interest rates.
- b) ECR facility provides working capital upon receipt of export orders.
- c) Allows the exporter to pay their suppliers early and secure better pricing.

Product	Minimum Period of Financing	Maximum Period of Financing	Minimum Financing Amount
ECR-Pre	N/A	Order Based Method: 120 days CP Method: Equally proportioned for 3 validity periods* *120 days	<ul style="list-style-type: none">• RM10,000 for Lodgement• RM2,000 for Drawdown
ECR-Post	7 days	Maximum 6 months	RM10,000

3. What are my obligations?

- a) Deliver to the Bank such satisfactory documentary evidence of the trade transaction (e.g. the original invoice, transport documents etc.), as may be required by the Bank. In the case of financing of exports from Malaysia, original export bills shall be delivered to the Bank for collection.
- b) Ensure that the export proceeds will be specifically channeled to the Bank for settlement of outstanding ECR loans.
- c) Comply with all requirements and terms and conditions as specified in the "Guidelines on ECR facilities" by EXIM Bank and all other requirements and conditions which may be prescribed by Bank Negara Malaysia from time to time.
- d) The documents presented to the Bank to support the financing must relate to genuine and current trade transactions.
- e) You authorize the Bank to debit your account in the Bank for the interest and any charges, costs or expenses with respect to ECR.
- f) What are the cut-off times to observe for ECR issuance and settlement?

TRADE PRODUCT	CUT-OFF TIME
ECR financing / settlement	10am

g) Pricing:

ECR Funding Rate provided by EXIM Bank + Interest (Spread) [_% per annum (p.a.)]

ECR Pre

Pricing is calculated as follows:

$$P = \frac{L \times R \times T}{36500}$$

Where,

P = Pricing

L = Pre-shipment loan outstanding

R = Rate of interest

T = Number of days the loan is outstanding

Commission	Issuance of ECR Domestic Purchase Order (ECR DPO): <ul style="list-style-type: none">• 0.05% flat• Minimum RM 20.00• Maximum RM 500.00
Interest (Spread)	<ul style="list-style-type: none">• Rate as specified in the Letter of Offer

ECR Post

Interest payable is deducted upfront and the exporter will receive the discounted proceeds and shall be computed as follows:

$$P = \frac{NV}{[r \times t] + 1 / 36500}$$

Where,

P = Proceeds

NV = Nominal value

r = Interest rate

t = Number of days to maturity

Interest (Spread): Rate as specified in the Letter of Offer

4. What other charges do I have to pay?

For the full list of fees and charge, please visit our website at:

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Telephone : 03-7880 0088
E-mail : myknp@cgc.com.my
Website : <https://imsme.com.my/portal/myknp-cgc-en>

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Address : Tingkat 8 Maju Junction Mall 1001, Jalan Sultan Ismail 50250 Kuala Lumpur
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50490 Kuala Lumpur.
Phone: 03-76268801/03-76268802/03-76268812
E-mail: customerservice@hlbb.hongleong.com.my

- If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia at:

Bank Negara Malaysia LINK or BNMTELELINK
Address : Block D, Bank Negara Malaysia Jalan Dato' Onn 50480 Kuala Lumpur.
Telephone : 1-300-88-5465
Fax : 03-2174 1515
E-mail : bnmtelelink@bnm.gov.my
Website : www.ofs.org.my

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Level 10, Menara Hong Leong
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Bukit Damansara
50490 Kuala Lumpur
Tel : (03) 7661 7777
Or visit www.hlb.com.my**

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