

## TRADE SERVICES

### **PRODUCT DISCLOSURE SHEET**

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Final terms and conditions will be read jointly and superseded as stipulated in the letter of offer and facility agreement (if any) after credit assessment and loan approval.

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

**Product : Letter of Credit (LC)**

#### **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 honor a complying presentation. It can be issued at Sight or Usance 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) **LC Issuance Commission**
  - 0.106% per month or part thereof, subject to a minimum of RM53.00**LC Amendment Commission**
  - If related to extension or increase in amount, 0.106% per month or part thereof, with a minimum of RM53.00
  - If not related to extension or increase in amount, a flat fee of RM53.00 is charged.

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

##### **LC Cancellation Service Charge**

- RM53.00 flat

### Cost of SWIFT

- LC Issuance - RM37.10 (Local) / RM84.80 (Foreign)
- LC Amendment - RM21.20 (Local) / RM42.40 (Foreign)
- LC Cancellation - RM31.80 (Local & Foreign)
- LC Payment - RM31.80 (Local & Foreign)

### Cost of RENTAS

- SME Customer - RM 5.30
- Non-SME Customer - RM 14.84 (1st party); RM 15.90 (Bank to Bank)

### Cost of Inter-Bank Giro (IBG)

- RM 2.12 per IBG

### Cost of Postage

- RM 5.30 flat per issuance

#### Note:

- Above fees and charges are inclusive of 6% GST, whenever applicable.
- 6% GST is not applicable for Zero Rated / Exempt / Out-Of-Scope supplies.

## 5. What are the cut-off times to observe for LC issuance and settlement?

TRADE PRODUCT	CUT-OFF TIME
LC Application (issuance/amendment/cancellation)	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 *

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

- 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.
- 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).
- If there is no settlement on 14<sup>th</sup> 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.**
- When an LC is converted to past due, the LC facility and other trade facility(ies) will be suspended immediately.
- 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.

## 7. 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.

## 8. 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:

Hong Leong Bank Berhad, Commercial and SME Banking

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

Telephone : 1-800-188-133

E-mail : [SME@hlbb.hongleong.com.my](mailto:SME@hlbb.hongleong.com.my)

Website : [www.hlb.com.my](http://www.hlb.com.my)

- Alternatively, you may seek the services of:

Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counselling and debt restructuring for individuals. You can contact AKPK at:

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

Telephone : 03-2616 7766

E-mail : [enquiry@akpk.org.my](mailto:enquiry@akpk.org.my)

Small Debt Resolution Committee (SDRC), established by Bank Negara Malaysia that provides assistance to viable small and medium scale enterprises (SMEs). You may contact SDRC at:

SDRC Secretariat, Development Finance and Enterprise Department

Address : Bank Negara Malaysia (BNM), Jalan Dato' Onn 50480 Kuala Lumpur

Telephone : 1-300-88-5465

E-mail : [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)

Website : [www.bnm.gov.my](http://www.bnm.gov.my)

- If you wish to complaint on the products or services provided by us, you may contact us at:

Hong Leong Bank Berhad, Commercial and SME Banking,

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

Telephone : 1-800-188-133

E-mail : [SME@hlbb.hongleong.com.my](mailto:SME@hlbb.hongleong.com.my)

Website : [www.hlb.com.my](http://www.hlb.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](mailto:bnmtelelink@bnm.gov.my)

Website : [www.ofs.org.my](http://www.ofs.org.my)

## 9. Where can I get further information

If you require further 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) 2777 1717 / 1715  
Or visit [www.hlb.com.my](http://www.hlb.com.my)**

**PRODUCT DISCLOSURE SHEET**

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.

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.

**Hong Leong Bank Bhd  
Transaction Banking,  
Business and Corporate  
Banking****Product : Inward Bills for  
Collection (IBC)****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) **IBC Commission for bills denominated in Foreign Currency**
  - 0.106% on bill amount, subject to a minimum of RM 53.00 and a maximum of RM 159.00**IBC Commission for bills denominated in RM**
  - 0.106% on bill amount, subject to a minimum of RM 53.00 and a maximum of RM 530.00

**4. What other charges do I have to pay?****Cost of SWIFT**

- RM31.80

**Cost of RENTAS**

- SME Customer - RM 5.30
- Non-SME Customer - RM 14.84 (1st party); RM 15.90 (Bank to Bank)

**Cost of Inter-Bank Giro (IBG)**

- RM 2.12 per IBG

**Cost of Postage**

- RM 5.30 flat

*Note:*

- Above fees and charges are inclusive of 6% GST, whenever applicable.
- 6% GST is not applicable for Zero Rated / Exempt / Out-Of-Scope supplies.

**5. 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 *

**6. What if I fail to fulfil my obligations?**

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

**7. 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.

**8. Where can I get further information**

If you require further 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) 2777 1717 / 1715  
Or visit [www.hlb.com.my](http://www.hlb.com.my)**

The information provided in this disclosure sheet is valid as at 1 May 2017.

**PRODUCT DISCLOSURE SHEET**

Read this Product Disclosure Sheet before you decide to take up the Outward 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 : Outward Bills for  
Collection (OBC)**

**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) **OBC Commission**  
0.106% on bill amount, subject to a minimum of RM 53.00 and a maximum of RM 159.00

**4. What other charges do I have to pay?****Cost of Courier**

- As per courier company's rate

**Documents Handling Fee**

- RM 53.00 flat (applicable to bills under LC only)

**Cost of Postage**

- RM 5.30 flat

*Note:*

- Above fees and charges are inclusive of 6% GST, whenever applicable.
- 6% GST is not applicable for Zero Rated / Exempt / Out-Of-Scope supplies.

#### 5. 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 *

#### 6. 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.

#### 7. 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.

#### 8. Where can I get further information

If you require further 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) 2777 1717 / 1715  
Or visit [www.hlb.com.my](http://www.hlb.com.my)**

The information provided in this disclosure sheet is valid as at 1 May 2017.

**PRODUCT DISCLOSURE SHEET**

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”)**

**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 merchandise 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 dishonor 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) **SG Issuance / Endorsement**  
0.106% flat on invoice value subject to a minimum of RM 53.00

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

##### Cost of Stamp Duty

- SG Issuance - RM20.00
- Endorsement - RM10.00

##### Cost of Postage

- RM5.30 flat

*Note:*

- Above fees and charges are inclusive of 6% GST, whenever applicable.
- 6% GST is not applicable for Zero Rated / Exempt / Out-Of-Scope supplies.

#### 5. 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

#### 6. 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. 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:
- (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.

#### 7. 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.

#### 8. 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:

Hong Leong Bank Berhad, Commercial and SME Banking,  
Address : Level 9, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur  
Telephone : 1-800-188-133  
E-mail : [SME@hlbb.hongleong.com.my](mailto:SME@hlbb.hongleong.com.my)  
Website : [www.hlb.com.my](http://www.hlb.com.my)

- Alternatively, you may seek the services of:

Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counselling and debt restructuring for individuals. You can contact AKPK at:

Address : Tingkat 8, Maju Junction Mall 1001, Jalan Sultan Ismail 50250 Kuala Lumpur  
Telephone : 03-2616 7766  
E-mail : enquiry@akpk.org.my

Small Debt Resolution Committee (SDRC), established by Bank Negara Malaysia that provides assistance to viable small and medium scale enterprises (SMEs). You may contact SDRC at:

SDRC Secretariat, Development Finance and Enterprise Department  
Address : Bank Negara Malaysia (BNM), Jalan Dato' Onn 50480 Kuala Lumpur  
Telephone : 1-300-88-5465  
E-mail : [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)  
Website : [www.bnm.gov.my](http://www.bnm.gov.my)

- If you wish to complaint on the products or services provided by us, you may contact us at:

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Address : Level 9, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur  
Telephone : 1-800-188-133  
E-mail : [SME@hlbb.hongleong.com.my](mailto:SME@hlbb.hongleong.com.my)  
Website : [www.hlb.com.my](http://www.hlb.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](mailto:bnmtelelink@bnm.gov.my)  
Website : [www.ofs.org.my](http://www.ofs.org.my)

## 9. Where can I get further information

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Hong Leong Bank Berhad  
Level 10, Menara Hong Leong  
6, Jalan Damanlela  
Bukit Damansara  
50490 Kuala Lumpur  
Tel : (03) 2777 1717 / 1715  
Or visit [www.hlb.com.my](http://www.hlb.com.my)**

The information provided in this disclosure sheet is valid as at 1 May 2017.

**PRODUCT DISCLOSURE SHEET**

Read this Product Disclosure Sheet before you decide to take up the Bank Guarantee 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 after credit assessment and loan approval.

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

**Product : Bank Guarantee  
(BG)**

**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 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) **BG Commission**  
Ranging from 0.106% to 0.1855% per month or part thereof or as per rate specified and / or varied in the Letter of Offer from time to time subject to a minimum of RM53.00

**4. What other charges do I have to pay?****Cost of Postage**

- RM5.30 flat

### Cost of Stamp Duty

- RM 10 for BG
- RM 10 for Letter of Indemnity

*Note:*

- Above fees and charges are inclusive of 6% GST, whenever applicable.
- 6% GST is not applicable for Zero Rated / Exempt / Out-Of-Scope supplies.

### 5. What are the cut-off times to observe for BG issuance?

TRADE PRODUCT	CUT-OFF TIME
BG application ( issuance without stamping) <i>(issue, amendment and cancellation)</i> <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) <i>(issue, amendment and cancellation)</i>	*2pm (turnaround within 2 working days)

\* Applies to HLBB standard BG format only.

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

- In the event of an advance by the Bank to honor the claim on the BG, the advance by the Bank shall be classified as past due bill and a penalty interest at BLR + penalty rate until repayment date shall be charged. **The present penalty rate is 3.5% per annum (p.a).**
- When a BG is converted to past due, the BG facility and other trade facility (ies) shall be suspended immediately.
- 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.

### 7. 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.

### 8. 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:

Hong Leong Bank Berhad, Commercial and SME Banking,  
Address : Level 9, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur  
Telephone : 1-800-188-133  
E-mail : [SME@hlbb.hongleong.com.my](mailto:SME@hlbb.hongleong.com.my)  
Website : [www.hlb.com.my](http://www.hlb.com.my)

- Alternatively, you may seek the services of:

Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counselling and debt restructuring for individuals. You can contact AKPK at:

Address : Tingkat 8, Maju Junction Mall 1001, Jalan Sultan Ismail 50250 Kuala Lumpur  
Telephone : 03-2616 7766  
E-mail : [enquiry@akpk.org.my](mailto:enquiry@akpk.org.my)

Small Debt Resolution Committee (SDRC), established by Bank Negara Malaysia that provides assistance to viable small and medium scale enterprises (SMEs). You may contact SDRC at:

SDRC Secretariat, Development Finance and Enterprise Department  
Address : Bank Negara Malaysia (BNM), Jalan Dato' Onn 50480 Kuala Lumpur  
Telephone : 1-300-88-5465  
E-mail : [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)  
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E-mail : [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)  
Website : [www.ofs.org.my](http://www.ofs.org.my)

## 9. Where can I get further information

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Hong Leong Bank Berhad  
Level 10, Menara Hong Leong  
6, Jalan Damanlela  
Bukit Damansara  
50490 Kuala Lumpur  
Tel : (03) 2777 1717 / 1715  
Or visit [www.hlb.com.my](http://www.hlb.com.my)**

The information provided in this disclosure sheet is valid as at 1 May 2017.

**PRODUCT DISCLOSURE SHEET**

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.

**Hong Leong Bank Bhd  
Transaction Banking,  
Business and Corporate  
Banking****Product : Bankers Acceptance  
(BA)****1. What is this product about?**

Bankers Acceptance (BA) is a usance bill of exchange drawn by customer and accepted by the Bank to finance 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.

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.

The minimum financing amount is set at RM50,000 and should be in multiples of RM1,000.

**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.

**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) BA Pricing**

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

The 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 = No of days remaining to maturity

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

##### Cost of SWIFT

- RM31.80

##### Cost of RENTAS

- SME Customer - RM 5.30
- Non-SME Customer - RM 14.84 (1st party); RM 15.90 (Bank to Bank)

##### Cost of Inter-Bank Giro (IBG)

- RM 2.12 per IBG

##### Cost of Postage

- RM 5.30 flat

##### Handling Fee

- RM 106.00 per BA for financing amount below RM100,000  
*(Not applicable to BA to finance import purchases under own LC or supported by inward / outward documentary collections channeled through us.)*

##### Note:

- Above fees and charges are inclusive of 6% GST, whenever applicable.
- 6% GST is not applicable for Zero Rated / Exempt / Out-Of-Scope supplies.

#### 5. 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*

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

- 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 BLR + penalty rate until repayment date. **The present penalty rate is 3.5%p.a.**
- The BA facility and other trade facility(ies) will be suspended immediately.
- 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.

#### 7. 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.

## 8. 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:

Hong Leong Bank Berhad, Commercial and SME Banking,  
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Telephone : 1-800-188-133  
E-mail : [SME@hlbb.hongleong.com.my](mailto:SME@hlbb.hongleong.com.my)  
Website : [www.hlb.com.my](http://www.hlb.com.my)

- Alternatively, you may seek the services of:

Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counselling and debt restructuring for individuals. You can contact AKPK at:

Address : Tingkat 8, Maju Junction Mall 1001, Jalan Sultan Ismail 50250 Kuala Lumpur  
Telephone : 03-2616 7766  
E-mail : [enquiry@akpk.org.my](mailto:enquiry@akpk.org.my)

Small Debt Resolution Committee (SDRC), established by Bank Negara Malaysia that provides assistance to viable small and medium scale enterprises (SMEs). You may contact SDRC at:

SDRC Secretariat, Development Finance and Enterprise Department  
Address : Bank Negara Malaysia (BNM), Jalan Dato' Onn 50480 Kuala Lumpur  
Telephone : 1-300-88-5465  
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E-mail : [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)  
Website : [www.ofs.org.my](http://www.ofs.org.my)

## 9. Where can I get further information

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Hong Leong Bank Berhad  
Level 10, Menara Hong Leong  
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Bukit Damansara  
50490 Kuala Lumpur  
Tel : (03) 2777 1717 / 1715  
Or visit [www.hlb.com.my](http://www.hlb.com.my)**



**PRODUCT DISCLOSURE SHEET**

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.

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.

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

**Product : Onshore Foreign  
Currency Loan (OFCL)**

**1. What is this product about?**

Onshore Foreign Currency Loan (OFCL), is a trade facility in Foreign Currency to finance importation of goods for trade purposes, including capital goods such as machinery and plants from foreign suppliers, exportation of goods related to customer's nature of business and local purchases from approved suppliers (for export purpose only).

Minimum period of financing is 14 days and the maximum period must not exceed the approved financing tenure subject to a maximum period of 180 days.

For financing of imports/purchases on usance basis, the aggregate maximum period of financing inclusive of the usance period should not exceed the aforesaid period.

For financing of exports, the aggregate maximum period of financing should be based on the credit terms in the invoice or approved financing tenure, whichever is shorter.

OFCL is drawn against presentation of import/export/local purchases (for export purpose only) supporting documents and the financing amount is up to 100% of invoice value. The minimum OFCL financing amount is set at USD50,000 or its equivalent.

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

- 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.

**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 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) OFCL Pricing**

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

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

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

\* 360 days for USD

**4. What other charges do I have to pay?****Cost of SWIFT**

- RM31.80

### Cost of RENTAS

- SME Customer - RM 5.30
- Non-SME Customer - RM 14.84 (1st party); RM 15.90 (Bank to Bank)

### Cost of Inter-Bank Giro (IBG)

- RM 2.12 per IBG

### Cost of Postage

- RM 5.30 flat

#### Note:

- Above fees and charges are inclusive of 6% GST, whenever applicable.
- 6% GST is not applicable for Zero Rated / Exempt / Out-Of-Scope supplies.

## 5. 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*

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

- 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.
- Past due bill shall be charged a penalty interest at BLR + penalty rate until repayment date. **The present penalty rate is 3.5% p.a.**
- The OFCL facility and other trade facility(ies) will be suspended immediately.
- 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.

## 7. 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.

## 8. 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:

Hong Leong Bank Berhad, Commercial and SME Banking,  
Address : Level 9, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur  
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Small Debt Resolution Committee (SDRC), established by Bank Negara Malaysia that provides assistance to viable small and medium scale enterprises (SMEs). You may contact SDRC at:

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Website : [www.ofs.org.my](http://www.ofs.org.my)

## 9. Where can I get further information

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Hong Leong Bank Berhad  
Level 10, Menara Hong Leong  
6, Jalan Damanlela  
Bukit Damansara  
50490 Kuala Lumpur  
Tel : (03) 2777 1717 / 1715  
Or visit [www.hlb.com.my](http://www.hlb.com.my)**

The information provided in this disclosure sheet is valid as at 1 May 2017.

**PRODUCT DISCLOSURE SHEET**

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.

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

**Product : Invoice Financing  
(IVF)**

**1. What is this product about?**

Invoice Financing (IVF) is the financing of customer's trade related foreign and local sales (on credit) or foreign and local purchases (cash/sight terms or remaining usance for credit purchases). Additionally, IVF also allows financing of domestic operating expenses or services payables (i.e. receivables of a service providing customer). The IVF facilities are to be used only for genuine working capital purposes and must not be used to finance customer's purchase of fixed assets.

Minimum period of financing is 14 days and the maximum period must not exceed the approved financing tenure subject to a maximum period of 365 days.

The minimum financing amount is RM10,000.

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

- a) Low minimum financing amount i.e. RM10,000.
- b) Scope of financing that includes local Operational Expenses and Services payables.

**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) IVF Pricing**

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

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

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

**4. What other charges do I have to pay?****Cost of SWIFT**

- RM31.80

### Cost of RENTAS

- SME Customer - RM 5.30
- Non-SME Customer - RM 14.84 (1st party); RM 15.90 (Bank to Bank)

### Cost of Inter-Bank Giro (IBG)

RM 2.12 per IBG

### Cost of Postage

- d) RM 5.30 flat

### Handling Fee

- e) RM 106.00 per IVF for financing amount below RM50,000  
(Not applicable to IVF to finance import purchases under own LC or supported by inward / outward documentary collections channeled through us.)

Note:

- Above fees and charges are inclusive of 6% GST, whenever applicable.
- 6% GST is not applicable for Zero Rated / Exempt / Out-Of-Scope supplies.

## 5. 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 *

## 6. 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 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:
- 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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The information provided in this disclosure sheet is valid as at 1 May 2017.

**PRODUCT DISCLOSURE SHEET**

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.

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.

**Hong Leong Bank Bhd  
Transaction Banking,  
Business and Corporate  
Banking****Product : Trust Receipt (TR)****1. What is this product about?**

Trust Receipt (TR) is a method of financing 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.

Minimum period of financing is 7 days but the maximum period must not exceed the approved financing tenure generally subject to a maximum period of 90 days.

TR financing is in Ringgit Malaysia and the eligible margin of financing is 100% value of the invoice or part thereof. The minimum TR financing amount is set at RM2,500.

**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

**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) **TR Pricing**  
Base Lending Rate (BLR) + Spread [ \_% per annum (p.a.)]  
  
Interest shall be computed from the financing date until payment is received on maturity date:-  
Interest =  $\frac{\text{Principal} \times (\text{BLR} + \text{Spread}) \times \text{Tenure}}{365}$
- f) **TR Commission for bills denominated in Foreign Currency**  
0.106% on bill amount, subject to a minimum of RM 53.00 and a maximum of RM 159.00
- g) **TR Commission for bills denominated in RM**  
0.106% on bill amount, subject to a minimum of RM 53.00 and a maximum of RM 530.00

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

##### Cost of SWIFT

- RM31.80

##### Cost of RENTAS

- SME Customer - RM 5.30
- Non-SME Customer - RM 14.84 (1st party); RM 15.90 (Bank to Bank)

##### Cost of Inter-Bank Giro (IBG)

RM 2.12 per IBG

##### Cost of Postage

- RM 5.30 flat

##### Note:

- Above fees and charges are inclusive of 6% GST, whenever applicable.
- 6% GST is not applicable for Zero Rated / Exempt / Out-Of-Scope supplies.

#### 5. 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) <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*

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

- A transaction will be converted to past due bill if payment is not received from you on the maturity date.
- A past due bill shall be charged a penalty interest at BLR + penalty rate until repayment date. **The present penalty rate is 3.5% p.a.**
- The TR facility and other trade facility(ies) will be suspended immediately.
- 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.

#### 7. 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.

#### 8. 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:

Hong Leong Bank Berhad, Commercial and SME Banking,  
Address : Level 9, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur  
Telephone : 1-800-188-133  
E-mail : SME@hlbb.hongleong.com.my  
Website : [www.hlb.com.my](http://www.hlb.com.my)



- Alternatively, you may seek the services of:

Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counselling and debt restructuring for individuals. You can contact AKPK at:

Address : Tingkat 8, Maju Junction Mall 1001, Jalan Sultan Ismail 50250 Kuala Lumpur  
Telephone : 03-2616 7766  
E-mail : [enquiry@akpk.org.my](mailto:enquiry@akpk.org.my)

Small Debt Resolution Committee (SDRC), established by Bank Negara Malaysia that provides assistance to viable small and medium scale enterprises (SMEs). You may contact SDRC at:

SDRC Secretariat, Development Finance and Enterprise Department  
Address : Bank Negara Malaysia (BNM), Jalan Dato' Onn 50480 Kuala Lumpur  
Telephone : 1-300-88-5465  
E-mail : [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)  
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Bank Negara Malaysia LINK or BNMTELELINK  
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Telephone : 1-300-88-5465  
Fax : 03-2174 1515  
E-mail : [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)  
Website : [www.ofs.org.my](http://www.ofs.org.my)

## 9. Where can I get further information

If you require further 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) 2777 1717 / 1715  
Or visit [www.hlb.com.my](http://www.hlb.com.my)**

The information provided in this disclosure sheet is valid as at 1 May 2017.

**PRODUCT DISCLOSURE SHEET**

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.

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

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

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

Foreign Bill of Exchange Purchased (FBEP) is an export financing facility 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 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 dishonors 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) **FBEP Pricing**  
Foreign Currency Effective Cost of Funds (FC ECOF) + Spread [ \_% per annum (p.a.)]
- f) **DBEP Pricing**  
Base Lending Rate (BLR) + Spread [ \_% p.a.]

**For sight bill**

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

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

\* 360 days for USD

**For usance bill**

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

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

\* 360 days for USD

**g) FBEP/DBEP Commission**

0.106% flat on bill amount, subject to a minimum of RM 50.00 and a maximum of RM 150.00

**4. What other charges do I have to pay?**

**Cost of Courier**

- As per courier company's rate

**Cost of Postage**

- RM 5.30 flat

Note:

- Above fees and charges are inclusive of 6% GST, whenever applicable.
- 6% GST is not applicable for Zero Rated / Exempt / Out-Of-Scope supplies.

**5. 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) <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*

**6. What if I fail to fulfil my obligations?**

- 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.
- 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 + 1% until repayment date.**
- The FBEP/DBEP facility and other trade facility(ies) will be suspended immediately.
- 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.

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

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Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counselling and debt restructuring for individuals. You can contact AKPK at:

Address : Tingkat 8, Maju Junction Mall 1001, Jalan Sultan Ismail 50250 Kuala Lumpur  
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Small Debt Resolution Committee (SDRC), established by Bank Negara Malaysia that provides assistance to viable small and medium scale enterprises (SMEs). You may contact SDRC at:

SDRC Secretariat, Development Finance and Enterprise Department  
Address : Bank Negara Malaysia (BNM), Jalan Dato' Onn 50480 Kuala Lumpur  
Telephone : 1-300-88-5465  
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E-mail : [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)  
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Or visit [www.hlb.com.my](http://www.hlb.com.my)**

**PRODUCT DISCLOSURE SHEET**

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 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.

**Hong Leong Bank Bhd  
Transaction Banking,  
Business and Corporate  
Banking****Product : Foreign / Domestic  
Bill of Exchange Purchased-  
Authority to Purchase  
[FBEP/DBEP(AP)]****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 whereby our Bank provides financing to our customer (Exporter) by negotiating/purchasing/discounting its export shipping documents 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.

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

Domestic Bill of Exchange Purchased (Authority to Purchase) [DBEP(AP)] is a facility whereby our Bank provides financing 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. 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 Inward LC 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 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 dishonors 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(AP).
- e) **FBEP(AP) Pricing**  
Foreign Currency Effective Cost of Funds (FC ECOF) + Spread [ \_% per annum (p.a.)]
- f) **DBEP(AP) Pricing**  
Base Lending Rate (BLR) + Spread [ \_% p.a.]

**For sight bill,**

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

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

\* 360 days for USD

**For usance bill,**

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

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

\* 360 days for USD

g) **FBEP(AP) / DBEP(AP) Commission**

0.106% flat on bill amount, subject to a minimum of RM 50.00 and a maximum of RM 150.00

**4. What other charges do I have to pay?****Cost of Courier**

a) As per courier company's rate

**Cost of Postage**

b) RM 5.30 flat

Note:

- Above fees and charges are inclusive of 6% GST, whenever applicable.
- 6% GST is not applicable for Zero Rated / Exempt / Out-Of-Scope supplies.

**5. 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 cut-off time for each currency. Refer to Trade Services Centre for cut-off time for each currency)	2 pm*

**6. What if I fail to fulfil my obligations?**

- 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.
- 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 + 1% until repayment date.**
- The FBEP(AP) / DBEP(AP) facility and other trade facility(ies) will be suspended immediately.
- 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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Or visit [www.hlb.com.my](http://www.hlb.com.my)**

**PRODUCT DISCLOSURE SHEET**

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.

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

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

**1. What is this product about?**

Advance Against Trade (AAT) is a financing 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 to advance 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.

The minimum period of financing is set at 7 days and the maximum financing tenor is generally set at 90 days to coincide with customers' production cycle.

The minimum financing amount is RM20,000.

**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.

The minimum period of financing is set at 7 days while the maximum financing tenor is generally set at 120 days to coincide with customers' operating cycle based on sales credit terms/ receivable period.

The minimum financing amount is RM20,000.

**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.

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

**AAT Pre**

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

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

**AAT Post**

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

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

**4. What other charges do I have to pay?**

**Handling Fee**

- RM 106.00 per AAT if face value is less than RM20,000

Note:

- Above fees and charges are inclusive of 6% GST, whenever applicable.
- 6% GST is not applicable for Zero Rated / Exempt / Out-Of-Scope supplies.

**5. 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) * (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*

**6. 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 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:

- (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.

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Telephone : 03-2616 7766

E-mail : [enquiry@akpk.org.my](mailto:enquiry@akpk.org.my)

Small Debt Resolution Committee (SDRC), established by Bank Negara Malaysia that provides assistance to viable small and medium scale enterprises (SMEs). You may contact SDRC at:

SDRC Secretariat, Development Finance and Enterprise Department

Address : Bank Negara Malaysia (BNM), Jalan Dato' Onn 50480 Kuala Lumpur

Telephone : 1-300-88-5465

E-mail : [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)

Website : [www.bnm.gov.my](http://www.bnm.gov.my)

- If you wish to complaint on the products or services provided by us, you may contact us at:

Hong Leong Bank Berhad, Commercial and SME Banking,

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

Telephone : 1-800-188-133

E-mail : [SME@hlbb.hongleong.com.my](mailto:SME@hlbb.hongleong.com.my)

Website : [www.hlb.com.my](http://www.hlb.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](mailto:bnmtelelink@bnm.gov.my)

Website : [www.ofs.org.my](http://www.ofs.org.my)

## 9. Where can I get further information

If you require further 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) 2777 1717 / 1715  
Or visit [www.hlb.com.my](http://www.hlb.com.my)**

The information provided in this disclosure sheet is valid as at 1 May 2017.

**PRODUCT DISCLOSURE SHEET**

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.

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

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

**1. What is this product about?**

Export Credit Refinancing (ECR) is a short-term financing scheme 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 :

**1. 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.

**2. 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 terms at a certain prescribed interest rate. Minimum period of financing is 7 days and the maximum period must not exceed the approved financing tenure subject to a maximum period of 6 months.

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.

**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) **ECR Pricing**

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

**ECR Pre**

Interest is calculated as follows:

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

Where,

*I* = Interest

*P* = Pre-shipment loan outstanding

*R* = Rate of interest

*T* = Number of days the loan is outstanding

**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

g) **ECR Domestic Purchase Order (ECR DPO) Commission**

0.053% flat, subject to a minimum of RM10 and a maximum of RM500

**4. What other charges do I have to pay?**

**ECR Pre-shipment**

**Handling Fee**

- RM5.30 flat

**Cost of SWIFT**

- RM31.80

**Cost of RENTAS**

- SME Customer - RM 5.30
- Non-SME Customer - RM 14.84 (1st party); RM 15.90 (Bank to Bank)

**Cost of Inter-Bank Giro (IBG)**

RM 2.12 per IBG

**Cost of Postage**

- RM 5.30 flat

## **ECR Post-shipment**

### **Handling Fee**

- RM5.30 flat

*Note:*

- Above fees and charges are inclusive of 6% GST, whenever applicable.
- 6% GST is not applicable for Zero Rated / Exempt / Out-Of-Scope supplies.

## **5. What are the cut-off times to observe for ECR issuance and settlement?**

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

## **6. 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 BLR + penalty rate until repayment date. **The present penalty rate is 3.5%p.a.**
- b) The ECR 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.

## **7. 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.

## **8. 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:

Hong Leong Bank Berhad, Commercial and SME Banking,  
Address : Level 9, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur  
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E-mail : [SME@hlbb.hongleong.com.my](mailto:SME@hlbb.hongleong.com.my)  
Website : [www.hlb.com.my](http://www.hlb.com.my)

- Alternatively, you may seek the services of:

Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counselling and debt restructuring for individuals. You can contact AKPK at:

Address : Tingkat 8, Maju Junction Mall 1001, Jalan Sultan Ismail 50250 Kuala Lumpur  
Telephone : 03-2616 7766  
E-mail : [enquiry@akpk.org.my](mailto:enquiry@akpk.org.my)

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