

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Final terms and conditions will be read jointly and superseded as stipulated in the letter of offer and facility agreement (if any) after credit assessment and loan approval.

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: Onshore Foreign
Currency Loan (OFCL)**

Date: / /

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).

2. What do I get from this product?

a) Onshore Foreign Currency Loan Facility

Item	Description
Facility Amount	RM <Total Facility Amount>
Margin of Financing (Spread)	<_>% per annum (p.a.)

b) Access to alternate funding in foreign currency at competitive interest rate.

c) Improve cash flow for better cash management and business expansion.

d) Net exporters have the advantage of natural hedging of exchange risk.

e) 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.

f) For financing of imports/purchases on usance (payable on a future date) basis, the aggregate maximum period of financing inclusive of the usance period should not exceed the aforesaid period.

g) 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.

h) 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.

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) 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) **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:-

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

* 360 days for USD

4. What other charges do I have to pay?

Cost of SWIFT

- RM30.00

Cost of RENTAS

- SME Customer - RM 5.00
- Non-SME Customer - RM 14.00 (1st party); RM 15.00 (Bank to Bank)

Cost of Inter-Bank Giro (IBG)

- RM 2.00 per IBG

Cost of Postage

- RM 5.00 flat

Note: All fees, commission, charges and other monies payable shall be exclusive of and subject to any Government Tax, where applicable.

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 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:
- 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.

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 : www.myknp.com.my

- 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 refer to the banking info booklet on www.bankinginfo.com.my website.

Alternatively, 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 [/ /]