

**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Final terms and conditions will be read jointly and superseded as stipulated in the letter of offer and facility agreement (if any) after credit assessment and loan approval.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) * (Foreign currency payment is subject to cut-off time for each currency. Refer to Trade Services Centre for cut-off time for each currency)	2 pm*

- f) **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

- 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 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:

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)

## 8. Where can I get further information

Should you require additional information, please refer to the bankinginfo booklet on [www.bankinginfo.com.my](http://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) 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 [        /        /        ]