

PRODUCT DISCLOSURE SHEET



Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information should you take up the Over Counter Bank Guarantee facility with Hong Leong Bank Bhd.

Date: _____

Other Customers have read this PDS and found it helpful; **you should read it too.** (Versi Bahasa Malaysia)

① What is Over Counter Bank Guarantee (OCBG)?

An Over Counter Bank Guarantee (OCBG) is a document purchased directly at a Bank counter without the need for a prior credit facility. In this agreement, the Bank acts as a guarantor, undertaking to pay an agreed sum to a third party should you default on your obligations.

To apply, you must pay the full guarantee amount and all relevant charges at the time of application.

Every OCBG must specify the exact amount and period of liability. This includes a clear commencement date, an expiry date, and a designated claim period during which the Guarantor can receive claims.

② Know Your Obligations

For this OCBG, as an illustration:

- **Guarantee Amount:** A fixed amount in Ringgit Malaysia, up to a maximum of RM2,000,000.00.
- **Security:** You must have enough money in your Savings, Current, or Fixed Deposit account for the Bank to " earmark " (lock) as security.
- **Duration:** The OCBG must have a specific start and end (expiry) date.

You have to pay the following fees and charges:

- **Application and renewal:** 0.1% per month or 1.2% per annum for individual. 0.175% per month or 2.1% per annum for non-individual.
- **Amendments:** 0.1% per month or 1.2% per annum for individual. 0.175% per month or 2.1% per annum for non-individual.

Note: Both is inclusive of claim period and subject to a minimum of RM100 per Bank Guarantee. Please refer [here](#) for further information.

It is your responsibility to:



Read and understand the terms and condition before signing.



Maintain Funds: Ensure the earmarked funds remain in your account until the BG is cancelled.



Seek Consent: You must get written permission from the beneficiary if you want to reduce the amount or shorten the expiry date.



Inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner.

③ Know Your Risks



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

④ Other Key Terms

- a) You shall pay the Bank's commission at the rate stipulated by the Bank on each OCBG issued and such payment shall be made upon the issuance of the OCBG.
- b) You must have sufficient funds in your CASA or eligible Fixed Deposit (FD) account for the Bank to earmark as security before issuance. This earmarked amount must be equal to the full guarantee value and is exclusive of the Bank's commission, service charges, and stamp duties, which must be paid separately at the time of application
- c) Refunds must be credited back to the same account originally debited or earmarked, cash refunds and refunds to third-party accounts are strictly prohibited.
- d) There shall be no refund by the Bank of any commission paid by you to the Bank in the event of any early cancellation made at the Issuing Branch of your OCBG.
- e) If your OCBG was issued with an earmark feature, the earmark on your account will be released only upon successful cancellation and the return of any relevant Fixed Deposit (FD) receipts.
- f) Where the OCBG 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 original Bank Guarantee document 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.
- g) Your obligations under the OCBG 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 OCBG Facility.
- h) You authorize the Bank to debit your account in the Bank for any amount demanded by the Bank and any charges, interests, penalty interest, commission, costs or expenses in respect of payment made by the Bank under the OCBG issued.
- i) The OCBG is available to all account holders of the bank except:
 - (i) Hong Leong Junior Savings Account;
 - (ii) Hong Leong 3-in-1 Junior Account;
 - (iii) External accounts; and
 - (iv) Accounts with statuses prohibiting any debits at the point of application, such as **deceased, bankrupt or restricted**.
- j) The OCBG must be a fixed amount in Ringgit Malaysia up to a maximum limit of RM2,000,000.00.
- k) You may request to backdate the commencement date of your OCBG up to a maximum of 3 months from the issuance date, subject to bank approval and your submission of a supporting letter from the beneficiary.
- l) The balance remaining in your OCBG will not be cancelled and refunded unless consent in writing is received by the Bank.
- m) OCBG must be adhered to bank standard format.

If you have any questions or require assistance, you can:

 <p>Call us at 03-7626 8899</p>	 <p>Visit us at www.hlb.com.my</p>	 <p>Email us at hlonline@hlbb.hongleong.com.my</p>	<p>Agensi Kaunseling dan Pengurusan Kredit (AKPK) Tel: 03-2616 7766 https://www.akpk.org.my/</p>
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If you have a query or a complaint that is not satisfactorily resolved by us, you may contact:

HLBB	BNMLINK
<p>Customer Advocacy Tel: 03-7626 8821 Email: customerservice@hlbb.hongleong.com.my</p>	<p>Tel: 1-300-88-5465 Overseas: 603-2174 1717 Website: bnm.gov.my/BNMLINK</p>