

PRODUCT DISCLOSURE SHEET**(Versi Bahasa Malaysia)**

Kindly read and understand this Product Disclosure Sheet together with the terms and conditions in the Letter of Offer before you decide to take up the product below:

Hong Leong Branch Business Shop Loan/Hong Leong Branch Business Housing Loan or Hong Leong Business Working Capital (if applicable)

Please do not hesitate to contact Hong Leong Bank ("the Bank") for clarification, if required.



<Product Name>

Date: <Date Letter of Offer issued>

1. What is this product about?

This Hong Leong Branch Business Shop Loan, Hong Leong Branch Business Housing Loan and Hong Leong Business Working Capital is/are calculated on a variable rate basis and you are offering your property as a security for this facility.

It offers flexibility in repayment and interest savings.

Any excess payment received after deducting your instalment and any charges payable, is deemed as an "Advance Payment".

Advance Payment will not be considered as prepayment and thereafter will affect your loan outstanding balance for interest calculation purposes. Interest is calculated on the Eligible Outstanding Balance, which is the difference between the loan outstanding balance (inclusive of charges) ("**Outstanding Balance**") and the Advance Payment or up to 30% of the Outstanding Balance, whichever is lower.

Withdrawals are allowed from excess payment under Advance Payment with written notice.

Important Note:

For more information, please refer to the relevant Letter of Offer and Main Terms and Conditions applicable to your facility.

2. What do I get from this product?

Facility 1 – Term Loan

Item	Description								
Facility Amount	RM < Total Amount Borrowed >								
Margin of Financing *	<_>%								
Repayment Period	<Approved Tenure> months								
Prescribed Rate/Effective Lending Rate	<table border="1"> <thead> <tr> <th>Prescribed Rate</th> <th>Effective Lending Rate</th> </tr> </thead> <tbody> <tr> <td>Year 1: BLR <-/+_>%</td> <td><_>%</td> </tr> <tr> <td>Year 2-3: BLR <-/+_>%</td> <td><_>%</td> </tr> <tr> <td>Thereafter: BLR <-/+_>%</td> <td><_>%</td> </tr> </tbody> </table>	Prescribed Rate	Effective Lending Rate	Year 1: BLR <-/+_>%	<_>%	Year 2-3: BLR <-/+_>%	<_>%	Thereafter: BLR <-/+_>%	<_>%
	Prescribed Rate	Effective Lending Rate							
	Year 1: BLR <-/+_>%	<_>%							
	Year 2-3: BLR <-/+_>%	<_>%							
Thereafter: BLR <-/+_>%	<_>%								

Facility 2 – Term Loan

Item	Description								
Facility Amount	RM < Total Amount Borrowed >								
Margin of Financing *	<_>%								
Repayment Period	<Approved Tenure> months								
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Thereafter: BLR <-/+_>%	<_>%								

• Overdraft: on demand

• The Base Lending Rate (BLR) is currently at 6.89%

* Note: The Margin of Financing is calculated based on the net selling price/current market value of the property and not based on the SPA price.

3. What are my obligations?

Important: Your monthly repayment amount (instalment) and total repayment amount will vary if the BLR changes.

Rate	Today (BLR=6.89%)	If BLR goes up 1%	If BLR goes up 2%
Facility 1 – Term Loan			
Monthly repayment amount	RM <_>	RM <_>	RM <_>
Total interest cost at the end of <Approved Tenure> months	RM <_>	RM <_>	RM <_>
Total repayment amount at the end of <Approved Tenure> months	RM <_>	RM <_>	RM <_>
Facility 2 – Term Loan			
Monthly repayment amount	RM <_>	RM <_>	RM <_>
Total interest cost at the end of <Approved Tenure> months	RM <_>	RM <_>	RM <_>
Total repayment amount at the end of <Approved Tenure> months	RM <_>	RM <_>	RM <_>
Facility 3 – Overdraft			
Monthly interest payment	On demand	On demand	On demand

Note:

- For Overdraft Facility, you are required to service interest on a monthly basis, based on your utilized amount. The interest payable amount may vary based on your utilization of the Facility. In the event the Overdraft is subject to annual reduction of its limit upon such terms and conditions prescribed by the Bank, you will be required to repay such amounts as are necessary to ensure that the Overdraft is operated within the reduced limit at all times.
- Pending commencement of the monthly repayment as provided in the table above, you are required to pay the Bank monthly interest (if any) and calculated at the Prescribed Rate/Effective Lending Rate on the daily outstanding amount (or based on monthly rest where specified and applicable) from the first disbursement of the Facility or commencing from such date as advised by the Bank in writing.
- The Bank may vary your monthly repayment amount when:
 - it is insufficient to service your loan interest; or
 - when the monthly principal repayment portion is less than 10% of your monthly repayment amount; or
 - whenever a revision of your monthly repayment amount by the Bank or you are required.

4. What other charges do I have to pay?

For full list of fees and charges, please visit our website www.hlb.com.my/loan1 or scan here:



5. What if I fail to fulfil my obligations?

- Late payment charges of 1% p.a. on the amount in arrears, causing the total outstanding to increase.
- If you default on any payment of monies due under the Facilities during the duration of the Facilities for a period of one hundred (100) days from the date such monies become due and payable or such other period as the Bank may notify you from time to time, the Bank shall at its discretion be entitled to vary the Prescribed Rate, which shall thereafter comprise of Additional Interest above the Prescribed Rate (“**Amended Prescribed Rate**”) on daily rests or such other rate as the Bank may prescribe on the balance outstanding. The Amended Prescribed Rate will continue to apply until such time when you have paid all amounts outstanding under the Facilities, regularised your account and/or the monies due and payable by you have been outstanding for less than a period of ninety (90) days (or such other period as the

Bank may notify you from time to time) from the date when such monies were due for payment. "Additional Interest" shall be chargeable at 1.5% per annum.

- We may set-off any credit balance in any account maintained with the Bank against any outstanding balance of this Facility with written notice.
- Legal action will be taken if you fail to respond to reminder notices given by the Bank. Your property may be foreclosed and you will have to bear all the costs. You are also responsible to settle any shortfall after your property is sold.
- Legal action against you may affect your credit rating and this will cause your credit to be more difficult or expensive to you.

Important:

For more information, please refer to the attached Main Terms and Conditions.

6. What if I fully settle the loan during the lock-in period?

If you redeem or settle in full the Facilities within the first 36 months, the following settlement charges will be applied:

Early settlement penalty:

For Residential Property - 3% on 90% of the total approved Facilities limit for the 1st 36 months from 1st release, and 80% of the total approved Facilities limit for month 37 to 60 (if applicable).

For Non-Residential Property - 3% on 85% of the total approved Facilities limit for the 1st 36 months from 1st release, and 70% of the total approved Facilities limit for month 37 to 60 (if applicable).

The early redemption/settlement fee reflects the costs incurred or to be incurred by the Bank as a result of the early settlement which may include the cost of fund, cost of capital, liquidity cost, statutory reserve cost, discounted interest rate and other cost, as well as any legal fees, stamp duty and/or valuation fees which have been incurred under the terms of the Facilities.

The early redemption/ settlement fee is payable at the point of redemption.

7. Do I need any insurance coverage?

- All residential property(ies) are required to be insured or takaful coverage obtained under houseowner policy(ies), whilst commercial and vacant property(ies) to be insured or covered under fire policy(ies).
 - (a) You are to ensure that the property(ies) are adequately insured up to their full insurable value, against loss or damage by fire, lighting, tempest, floor, riot, civil commotion, malicious acts and strike and such other risk as the Bank may require;
 - (b) You are to furnish a certified true copy of the policy or policies so bought/taken up with the Bank endorsed as loss payee/mortgagee together with evidence of premium/takaful payment/contribution payable under such policy or policies to the Bank. In the event that the Bank takes up the insurance or takaful coverage on your behalf, the Bank will debit the fire insurance premium/takaful contribution into your loan/financing account with prior written notice to you.
- Mortgage Decreasing Term Assurance (MDTA)/Mortgage Reducing Term Takaful (MRTT)/Mortgage Level Term Assurance (MLTA) / Mortgage Level Term Takaful (MLTT) is optional.
- However, you are encouraged to take up the MDTA/MRRT/MLTA/MLTT to protect your family from losing the property due to unforeseen circumstances.
- Where the MDTA/MRRT/MLTA/MLTT is financed by the Bank, the Bank shall only release the premium/takaful contribution to the insurer/takaful operator either with the first loan release towards financing of the Property(ies) or at any time thereafter at the Bank's discretion subject to the following:
 - (a) the Bank has received the letter of acceptance/letter of offer issued by the insurance/takaful operator which is acceptable to the Bank;
 - (b) the Bank has not received any notification from the insurance/takaful operator of your rejection and/or appeal of the letter of offer issued by the insurer/takaful operator;
 - (c) you/insured have/has not deceased prior to the first release of the loan/If no information or documents have been given to or been received by the Bank from any party indicating the person(s) to be covered is deceased prior to the first disbursement, the Bank shall proceed disburse the premium financing under the Single Premium Life Insurance Financing or the first payment of the 2-Pay Regular Premium Life Insurance Financing;
 - (d) in the event the letter of acceptance/letter of offer issued by the insurance/takaful operator expires on or before the first loan release, you will submit a fresh proposal form for evaluation and you shall procure a fresh letter of acceptance/letter of offer from the insurer/takaful operator; and
 - (e) For MLTA/MLTT, the Bank shall have received a copy of the Absolute Assignment duly executed by the person(s) to be covered in favour of the Bank as absolute assignee in respect of the assignment of benefit of the life insurance/takaful coverage of the person(s).

- The coverage of the MDTA/MRTT/MLTA/MLTT shall be effective upon receipt of the full premium/takaful contribution (including any loading or excess to the original premium/takaful contribution quoted) by the insurer/takaful operator.
- Fire Takaful/Houseowner Takaful on the property pledged to Bank as collateral is compulsory, which you may opt from Zurich Takaful or any other takaful operators.

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

It is important that you inform the Bank of any changes in your contact details to ensure that all correspondences reach you in a timely manner. To update your correspondence details, please contact the Bank at +603-7626 8899 or visit any of our branches nationwide.

9. Where can I get assistance and redress?

If you have any difficulties in making repayments, you should contact the Bank earliest possible to discuss repayment alternatives. You may contact our Consumer Collection Centre at:

Level 2, PJ City Development, No. 15A, Jalan 219, Section 51A, 46100 Petaling Jaya, Selangor

Tel: +603-7959 1888 Fax: +603-7873 8228

Email: MCC2@hlbb.hongleong.com.my

Alternatively, you may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara to provide free services on money management, credit counseling, financial education and debt restructuring for individuals. You can contact AKPK at:

Tingkat 5 and 6, Menara Bumiputra Commerce, Jalan Raja Laut 50350 Kuala Lumpur

Tel: +603-2616 7766 E-mail: enquiry@akpk.org.my

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

Customer Advocacy

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

Tel: +603-7626 8801 / 7626 8802 / 7626 8812 E-mail: customerservice@hlbb.hongleong.com.my

If your query or complaint is not satisfactorily resolved by us, you may contact BNMLINK at:

4th Floor, Podium Bangunan AICB, No.10, Jalan Dato' Onn, 50480 Kuala Lumpur.

Web: bnmlink.bnm.gov.my Tel: 1-300-88-5465 or 03-2174 1717 (for overseas calls)

10. Other loan packages available

- **Hong Leong Branch Business Shop Loan**
- **Hong Leong Branch Business Housing Loan**
- **Hong Leong Business Working Capital**

11. How do I make my monthly repayment?

Making your monthly repayment is hassle free through:

- Standing instructions from your Hong Leong Bank/Hong Leong Islamic Bank current account
- Internet Banking (www.hongleongconnect.my) or via mobile phone app or tablet app
- Malaysian Electronic Payment System (MEPS) or Interbank Giro (IBG)*

Alternative repayment methods include:

- ATM transfer to your financing account
- Bank in to your financing account via Cash Deposit Machine
- Cheque deposit to your financing account via Cheque Deposit Machine**
- Make your payment over-the-counter at the nearest branch

Important:

* Online IBG payment is only RM0.10 per transaction.

** Effective 2 January 2015, RM0.50 processing fee and RM0.15 stamp duty will be charged per cheque issued. Subject to Government Taxes, if applicable

IMPORTANT NOTE: YOUR PROPERTY MAY BE FORECLOSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR PROPERTY FINANCING.

The information provided in this disclosure sheet is valid as at <Date LO printed>