

HONG LEONG CREDIT CARD RELIEF CONVERSION PAYMENT PLAN

CAMPAIGN PERIOD

The Hong Leong Bank Berhad (193401000023 (97141-X)) (“HLB”) Relief Conversion Payment Plan Campaign (“Campaign”) commences on 1 April 2020 at 00:00:00 hours (12:00a.m.) and ends on 31 December 2020 at 23:59:59 (11:59p.m.) (Campaign Period”), both dates inclusive unless notified otherwise.

HONG LEONG CREDIT CARD RELIEF CONVERSION PAYMENT PLAN

The Hong Leong Credit Card Relief Conversion Payment Plan (“RC Plan”) allows HLB Cardholders to convert their outstanding credit card balance into a monthly instalment plan where the converted amount is to be repaid together with the applicable interest in monthly instalments over a selected/pre-determined payment period.

Terms and Conditions

The following sets out the terms and conditions applicable to the Hong Leong Credit Card Relief Conversion Payment Plan (“T&Cs”):

Eligibility

1. The RC Plan is applicable for all **Malaysian principal cardholders** of Hong Leong Credit Cards (“Principal Cardholders”) who meet any of the following criteria (“Eligible Cardholder”):
 - (a) Hold a Hong Leong Credit Card with a minimum outstanding balance of RM1,000 (Ringgit Malaysia One Thousand) only (“Primary Card”); or
 - (b) Have been unable to pay three (3) consecutive months of the Eligible Cardholder’s minimum monthly payments of the Primary Card.
2. Eligible Cardholders who fulfil the criteria in Item 1 (a) may apply for the RC Plan for multiple Hong Leong Credit Cards held by the Eligible Cardholders respectively.
3. Eligible Cardholders who fulfil the criteria in Item 1 (a) can apply for the RC plan via
 - (a) Hong Leong Connect Online Banking under Apply > Credit Card Services > Relief Conversion Plan/Flexi Payment Plan or;
 - (b) HLB’s Customer Service Hotline at 603-7626 8899 from 9.00am to 6.00pm, Monday to Saturday or
 - (c) HLB’s Collection Helpline at 603-7959 1888 from 8.45am to 5.45pm, Monday to Thursday & 8.45am to 4.45pm for Friday or;
 - (d) Email to CollsCustomerFeedback@hlbb.hongleong.com.my

The RC Plan application is subject to HLB’s approval.

4. Eligible Cardholders who fulfil the criteria in Item 1 (b) will have their outstanding Primary Card balances automatically converted under the RC Plan, subject to Clause 5 below.
5. Principal Cardholders of Hong Leong Credit Cards who have outstanding balances remaining unpaid for more than ninety (90) days are not eligible for the RC Plan.

RC Plan Mechanics

6. Under the RC Plan, the Eligible Cardholders’ Total Outstanding Balance (as defined in Clause 7 below) will be converted into a three (3) year term loan with an effective interest rate (“EIR”) of thirteen per centum (13%) per annum based on a monthly reducing balance repayment method.

The following Table 1 sets out the key features of the RC Plan:

Table 1

Eligible Cardholders' Interest Rate tier (per annum)	Tenure (months)	Effective Interest Rate for RC Plan (per annum)
15%-18%	36	13% (Flat interest of 7.1% p.a)

7. Each Eligible Cardholder is only entitled to be converted to the RC Plan once per Primary Card during the Campaign Period.
8. The RC Plan allows an Eligible Cardholder to pay the Total Outstanding Balance for the selected Hong Leong Credit Card ("Eligible Card") over the Tenure set out in Table 1 by thirty-six (36) monthly instalments ("RC Monthly Instalment"). No processing fee will be charged for the RC Plan.
9. The term Total Outstanding Balance shall mean the total outstanding balance which has already been debited to the Eligible Cardholder's Eligible Card account ("Eligible Card Account") and/or recorded in the Eligible Cardholder's Eligible Card current statement of account ("Current Statement"). Total Outstanding Balance shall include principal, interest and fees as well as instalment amounts payable under other HLB credit card programmes such as Extended Payment Plan, Flexi Payment Plan, Call-for-Cash, Call-for-Cash Plus, Annual Fees, and other charges imposed by HLB in the Current Statement. The Total Outstanding Balance to be converted shall not exceed the total Credit Limit assigned to the Eligible Cardholder.
10. Existing instalments payable under other HLB credit card programmes such as Extended Payment Plan, Flexi Payment Plan, Cash-on-Call, Call-for-Cash and Call-for-Cash Plus will continue to be billed to the Eligible Card Account until all instalments due have been fully paid.
11. The Total Outstanding Balance which is converted to the RC Plan would not entitle the Eligible Cardholder to any reward points and/or cash rebates in respect of the relevant Primary Card / Eligible Card unless notified otherwise by HLB.
12. The RC Monthly Instalment is calculated by dividing the total of the following sums with the Tenure :
 - (a) Total Interest Amount; and
 - (b) Total Outstanding Balance

The calculation of the RC Monthly Instalment is as follows:

$$\text{RC Monthly Instalment} = \frac{\text{Total Interest Amount} + \text{Total Outstanding Balance}}{36 \text{ months (i.e. Tenure)}}$$

13. The RC Monthly Instalment shall be billed to the Eligible Cardholder's Eligible Card Account on a monthly basis until the Tenure is completed as illustrated in Example 1 below.

Example:

A Total Outstanding Balance of RM 10,000 is converted to the RC Plan for an Eligible Cardholder, to be paid by way of thirty-six (36) monthly instalments and a corresponding EIR of 13% p.a (Flat interest of 7.1% p.a). Based on this example, the RC Monthly Instalment payable over 36 months will be RM336.94 (column D in Table 2 below).

The following Table 2 illustrates the monthly principal deduction as well as monthly interest charged under the RC Plan in Example 1.

Table 2 – Illustration on principal deduction and interest charged as follows

Month	Original Principal (RM) (A)	Monthly Principal (RM) (B)	Monthly Interest (RM) (C)	Monthly Instalment (RM) D = (B + C)	Balance Principal (RM) E = (A - B)
1	10,000.00	228.61	108.33	336.94	9771
2	9,771.40	231.09	105.86	336.94	9540
3	9,540.32	233.59	103.35	336.94	9307
4	9,306.74	236.12	100.82	336.94	9071
5	9,070.62	238.68	98.26	336.94	8832
6	8,831.95	241.27	95.68	336.94	8591
7	8,590.69	243.88	93.07	336.94	8347
8	8,346.82	246.53	90.42	336.94	8100
9	8,100.31	249.19	87.75	336.94	7851
10	7,851.12	251.89	85.05	336.94	7599
11	7,599.24	254.62	82.32	336.94	7345
12	7,344.63	257.38	79.57	336.94	7087
13	7,087.26	260.17	76.78	336.94	6827
14	6,827.10	262.99	73.96	336.94	6564
15	6,564.12	265.83	71.11	336.94	6298
16	6,298.29	268.71	68.23	336.94	6029
17	6,029.58	271.63	65.32	336.94	5758
18	5,757.96	274.57	62.83	336.94	5483
19	5,483.40	277.54	59.40	336.94	5206
20	5,205.87	280.55	56.40	336.94	4925
21	4,925.32	283.59	53.36	336.94	4642
22	4,641.74	286.66	50.28	336.94	4355
23	4,355.08	289.77	47.18	336.94	4065
24	4,065.32	292.91	44.04	336.94	3772
25	3,772.42	296.08	40.87	336.94	3476
26	3,476.35	299.29	37.66	336.94	3177
27	3,177.07	302.53	34.42	336.94	2874
28	2,874.55	305.81	31.14	336.94	2569
29	2,568.75	309.12	27.83	336.94	2259
30	2,259.63	312.47	24.48	336.94	1974
31	1,947.17	315.85	21.09	336.94	1631
32	1,631.32	319.27	17.67	336.94	1312
33	1,312.05	322.73	14.21	336.94	989
34	989.32	326.23	10.72	336.94	663
35	663.09	329.76	7.18	336.94	333
36	333.33	333.34	3.61	336.94	0

14. The Eligible Cardholder must pay the full RC Monthly Instalment amount in addition to the Minimum Payment Due as defined in the terms and conditions of HLB Cardholder Agreement (“Cardholder Agreement”) which are reflected in the Eligible Card Account statement. In the event the RC Monthly Instalment amount and the Minimum Payment (collectively “Total Payment Due”) are not received by HLB in full on or before the payment due date as specified in the monthly credit card statement for the relevant Eligible Card, the prevailing finance charges and late payment fee shall be charged on the Total Payment Due, in accordance with the terms and conditions of Cardholder Agreement.

Events of Default

15. The Eligible Cardholders shall forthwith settle all outstanding balances under the Eligible Card Account including the amounts due under the RC Plan whether billed or unbilled, as well as applicable fees, charges and interest if:
- a) they are in default of any of the T&Cs herein or any of the terms under the Cardholder Agreement;
 - b) they are in default of payment of the RC Monthly Instalment and/or any sums due for more than sixty (60) days from the payment due date;
 - c) the RC Plan is cancelled or terminated; or
 - d) the Eligible Card Account is cancelled or terminated.

RC Plan Conversion

16. The Eligible Cardholder will be notified of his RC Plan application status in writing by post or electronic means within ten (10) Business Days from the RC Plan application date. In the event the Eligible Cardholder does not receive any notification from HLB after ten (10) working days from the RC Plan application date, the Eligible Cardholder is required to contact HLB’s Contact Centre for clarification.

After Conversion

17. In the event that the Eligible Cardholder wishes to cancel the RC Plan, the Eligible Cardholder is required to settle all outstanding amounts due under the RC Plan including unbilled amount (“Outstanding Amount”). No early termination penalty will be charged to Eligible Cardholders if early settlement is made.
18. If the Eligible Cardholder has cancelled the RC Plan but subsequently wishes to re-apply for the RC Plan, the Eligible Cardholder can call Hong Leong Contact Center to re-apply for the RC Plan.

General

19. By taking up this RC plan, the Eligible Cardholders agree:
- a) to have read, understood and agreed to be bound by the T&Cs ; and
 - b) to access the HLB’s Website at www.hlb.com.my (HLB’s Website”) at regular time intervals to view the T&Cs and ensure that the Eligible Cardholders are kept up-to-date on any change or variation to the T&Cs.
20. HLB reserves the right to:
- a) disqualify any Eligible Cardholders in the event the Eligible Cardholders breach the terms and conditions of this T&Cs
 - b) reject the Eligible Cardholders’ application for the RC Plan and in such event, HLB shall provide the reason(s) for the rejection; and
 - c) add, delete, suspend or vary the T&Cs contained herein, either wholly or in part by way of posting on HLB’s Website, or in any manner deem practical, in order to give prior notice to the Eligible

Cardholders on such addition, deletion or amendment of the said T&Cs or suspension or termination of the plan.

21. These T&Cs shall be read together as an entire agreement with the Cardholder Agreement, which regulates the provision of the credit card facility by HLB to the Eligible Cardholders. In the event of inconsistencies of any of the T&Cs herein and the Cardholder Agreement, the T&Cs herein shall prevail to the extent of such inconsistencies.
22. The T&Cs herein shall be governed by and construed in accordance with the laws of Malaysia and the Eligible Cardholders agree to submit to the jurisdiction of the Courts of Malaysia.
23. Words denoting one gender include all other genders and words denoting the singular include the plural and vice versa.