

Hong Leong PowerSME Current Account
Terms & Conditions

1. The Hong Leong PowerSME Current Account (“SME Current Account”) is a conventional current account, available only to companies as well as to sole proprietors and partnerships who have been granted credit facilities in the form of business banking loans by Hong Leong Bank Berhad (“HLB”) (each referred to herein as a “Customer” and collectively, “Customers”).
2. Customers are required to place a minimum deposit of Ringgit Malaysia Five Hundred (RM500) to open the SME Current Account and are bound by the terms and conditions governing the opening of conventional current accounts.
3. The main features of the SME Current Account are set out below and are subject to the following terms and conditions:

(A) Monthly Rebates (“Rebates”)

- a. Rebates are awarded based on the Customers’ monthly average balance (“Monthly Average Balance”) every end of the month. Monthly Average Balance is calculated based on the aggregate of the total end-day outstanding balance over the total number of days in the month. However, for the first month of account opening, Monthly Average Balance shall be calculated based on the aggregate of the total end-day outstanding balance over the total number of days from the account opening date to the end of the month in which the SME Current Account was opened.
- b. Customers are eligible to apply for any one (1) of the three (3) Rebates Packages set out below at any one time :
 - (i) The Basic Package, which is the Rebates Package available when the Customer subscribes for the e-Inquiry Services; or
 - (ii) The e-Payment Package, which is the Rebates Package available when the Customer subscribes for the e-Payment Services; or

(iii) The Business Loan Package, which is the Rebates Package available when the Customer successfully applied for a new business banking loan (“Business Loan”). Customers electing the Business Loan Package who subscribe for e-Payment Services shall additionally be entitled to utilize their Rebates earned in the manner set out under Clauses 3(B) and 3(C) herein, wherever applicable, upon the relevant conditions being met.

Rebates shall be calculated for the Basic Package, e-Payment Package and the Business Loan Package in the manner set out at the HLB website at www.hlb.com.my and as may be amended from time to time.

- c. Customers are allowed to switch between the Rebates Packages available depending on whether the e-Inquiry Services or the e-Payment Services are subscribed for or if the Customer successfully applies for a Business Loan. The Rebates for the month will be computed based on the latest Rebates Package tagged to the SME Current Account at the material time.
- d. Rebates earned in a particular month shall only be available for utilization commencing from the following month. Rebates can be accumulated and aggregated for utilization Provided Always that Rebates can only be accumulated up to 12 months from the last day of the calendar month in which the SME Current Account was opened (“Account Anniversary Date”).
- e. All Rebates must be utilised before the expiry of the Rebates on the last day of the calendar month coinciding with the Account Anniversary Date.
- f. Rebates can only be used to off-set interest payments (for Business Loan Package only subject to the requirements set out in Clause 3(C) herein), the Security Token Fee as defined in clause 3(B)(a) below (subject to Clause 3(B) herein) and/or eligible banking fees and charges performed at any HLB branches and/or through Hong Leong Online Business, as may be determined by HLB in its absolute discretion from time to time (“Eligible Transactions”).
- g. The list of Eligible Transactions and the value of Rebates applicable to each Eligible Transaction (Rebates Value) are available at the HLB website at www.hlb.com.my and as amended from time to time.

- h. All Rebates are deducted on a sequential basis for the Eligible Transactions performed, that is, Rebates will be used to set-off against the first Eligible Transaction presented, and thereon.
 - i. Rebates can only be used if sufficient to cover the Rebates Value in full for each Eligible Transaction except for items specifically stated under Clauses 3(B) and 3(C) below. In the event the Rebates are insufficient to cover the Rebates Value in full in respect of an Eligible Transaction, no partial utilization or deduction of Rebates available under the SME Current Account is allowed and the Customer is required to pay for the full transactional fee or charge for that Eligible Transaction.
 - j. For avoidance of doubt, if transactions falling within the description of Eligible Transactions are effected on a bulk or grouped basis (“Bulk Transaction”), each Bulk Transaction shall be considered as one (1) Eligible Transaction only and the utilization of Rebates for that Eligible Transaction shall similarly be subject to Clause 3(A)(i) above.
 - k. Accumulated but unutilised Rebates shall automatically be forfeited when the SME Current Account is closed.
 - l. The Rebates are non-transferable and non-exchangeable for any cash, credit, cheque or in kind and shall be subject to variation or reduction as the Bank shall, in its absolute discretion, determine at any time and from time to time.
- (B) Rebates deduction for Security Token Fees
- a. A Security Token is an electronic device issued by HLB to the Customer for the purpose of generating a challenge response protocol for authentication purposes.
 - b. Customers who subscribe for e-Payment Services for the first time are entitled to utilize Rebates earned towards off-setting the Security Token Fees on a one-off basis, partially or in full, depending on the available Rebates at the point of redemption, which is when the Security Token Fees are charged to the SME Current Account.

- c. For avoidance of doubt, the Rebates earned can only be utilised once towards off-setting the Security Token Fees when the Security Token Fees are charged to the SME Current Account. In the event the Rebates are only sufficient for partial settlement of the Security Token Fees, the Customer shall still be liable for the balance of the Security Token Fees (“Balance”) and Rebates earned in the following month cannot be utilised to off-set the Balance charged to the SME Current Account.

(C) Rebates deduction for Business Loan Interest payment

- a. Applicable only to selected Business Loans as stated in www.hlb.com.my, where repayment of the Business Loan is effected by way of Standing Instructions by the Customer via the SME Current Account.
- b. Rebates can be used to off-set interest payment on the Business Loan Interest, partially or in full every month, depending on the available Rebates at the point of redemption, which is the Business Loan monthly payment due date. In the event the Rebates are only sufficient for partial settlement of the Business Loan Interest payment in a particular month, the Customer shall still be liable to pay the balance of the Business Loan Interest due (“Balance interest”) and Rebates earned in the following month cannot be utilised to off-set the Balance interest in the preceding month.

(D) Preferential Fixed Deposits Interest Rate (“Preferential Rate”)

- a. Applicable for Hong Leong Business Flexi FD account (“Business Flexi FD”) only.
- b. Preferential Rate is applicable to new placement(s) with fresh funds only (“Qualifying Deposits”). Deposits in the Business Flexi FD placed from transfer of funds from any existing Hong Leong Fixed Deposit account, and/or renewal(s) of existing Business Flexi FD shall not be entitled to the Preferential Rate.
- c. The Preferential Rate will be applicable to all Qualifying Deposits up to a maximum aggregate amount of Ringgit Malaysia One Million (RM1,000,000) per Customer, computed based on the total principal sum of all accumulated Business Flexi FD receipts where the Preferential Rate is applied.

- d. Upon maturity, the Business Flexi FD receipts will be automatically renewed at the prevailing Business Flexi FD rates for the respective tenures.
- e. To be entitled for this Preferential Rate, the Customer must select that the SME Current Account be linked to the Business Flexi FD Account.
- f. In order for the Customer to continue to enjoy the Preferential Rate, the SME Current Account shall not be closed as long as there are deposits under the Business Flexi FD applied with the Preferential Rate which are still pending maturity.
- g. Save and except as specifically provided herein, the terms and conditions governing the Business Flexi FD shall apply. A copy of the Business Flexi FD terms and conditions can be viewed at www.hlb.com.my or be obtained from any HLB branch.

(E) Priority Queue

- a. All customers who open the SME Current Account and place a deposit of Ringgit Malaysia Two Hundred Thousands (RM200,000) in the Business Flexi FD in a single receipt will be given a SME Current Account Privilege Card (“Privilege Card”) upon SME Current Account opening.
 - b. The authorized signatory of the Customer (“Authorised Personnel”) will enjoy the priority queue at any HLB branch by presenting the Privilege Card.
 - c. HLB reserves the right to verify the identity of the Authorised Personnel presenting the Privilege Card at HLB branches.
 - d. The Privilege Card must be surrendered upon request / closing of the SME Current Account.
4. For the latest list of Eligible Transactions, Fees and Charges, Rebates Value and Preferential Fixed Deposits Interest Rate, please visit any HLB branch and/or the HLB website at www.hlb.com.my.

5. HLB reserves the right to amend, alter, modify or delete the terms and conditions herein wholly or in part, with prior notice at any time or from time to time, and such changes shall be communicated to Customers via notice at HLB's branches and website (www.hlb.com.my) or any other mode of communication as HLB shall, in its absolute discretion, deem fit.

6. The SME Current Account shall be governed by HLB's General Terms and Conditions of Accounts which can be viewed at www.hlb.com.my or a copy can be obtained from any HLB branch.

Eligible for protection by PIDM.