

Short Term Placement (STP)

Terms and Conditions

Last updated 15 November 2022

1. Definitions

In these Terms and Conditions, the following terms and expressions shall have the meaning designated to them unless the context requires otherwise:

“**ABC Policy**” means the HLBB Anti-Bribery and Corruption Policy which is available at HLBB’s website at www.hlb.com.my.

“**Anti-Bribery Laws**” means the Malaysian Anti-Corruption Commission Act 2009 as amended from time to time, and rules and regulations issued thereunder, and any other applicable laws, statues, regulations, rules and orders that relates to bribery or corruption.

“**Authorized Dealer**” means the licensed dealer in HLBB Global Markets that possesses full Pasaran Kewangan Malaysia Certificate (PKMC) qualification, a professional requirement established by ACI-Financial Markets Association of Malaysia (ACI-FMAM) for dealers and brokers employed in licensed financial institutions and money broking firms.

“**Branch Customer**” means the Customer who maintains a Designated CASA with any branch of HLBB

“**Business Day**” means a day on which HLBB is open for business in Kuala Lumpur (excluding Saturday and Sunday), and on which transactions of the nature contemplated for the Placement may be carried out.

“**Customer**” refers to a Branch Customer or Non-Branch Customer as the context may require.

“**Designated CASA**” means the Customer’s Current Account and/or Savings Account maintained with HLBB which should **only be held in the Customer’s sole name**.

“**HLBB**” means Hong Leong Bank Berhad and includes its branches and its successors-in-title and assigns.

“**HLBB Global Markets**” means the HLBB Global Markets Division.

“**HLBB Whistleblowing Policy**” means the HLBB’s policy in relation to whistleblowing, setting out HLBB’s commitment to good business ethics and integrity, pursuant to which employees of HLBB, as well as persons providing services to, or having a business relationship with HLBB, are required to raise any concerns about any improper conduct or wrongful act that may adversely impact HLBB.

“**KYC**” means Know-Your-Customer, a process of identification and verification of customer prior to on-boarding the customer.

“**Maturity Date**” means the maturity date of the STP as stated in the Confirmation Advice.

“**MYR**” means Ringgit Malaysia.

“**Non-Branch Customer**” means the Customer who does not maintain a Designated CASA with any branch of HLBB.

“**Placement**” means a cash or cheque deposit, either in MYR or non-MYR, placed by the Customer with HLBB for the STP. Placement by way of cheque deposit will commence or take effect only upon cheque clearance and actual receipt of funds in the Customer’s Designated CASA.

“**Privacy Notice**” means HLBB’s policies and principles pertaining to the collection, use and storage of personal information of existing and prospective individual and entities dealing with HLBB as may be amended from time to time and made available at the HLBB’s website or in such manner as HLBB deems appropriate from time to time.

“**RENTAS**” means Real Time Electronics Transfer of Funds and Securities

“**Short Term Placement**” or “**STP**” means an interest-bearing deposit placed with HLBB Global Markets for a fixed maturity with principal and interest payable to the Customer upon the Maturity Date.

“**Terms & Conditions**” means the terms and conditions set out in this document and shall include any amendments, variations and supplements made from time to time by HLBB with prior notice.

2. General

- 2.1 These Terms and Conditions are to be read with the **General Terms and Conditions of Accounts** and any other relevant terms and conditions as HLBB may impose from time to time with at least twenty-one (21) calendar days’ notice, as well as other rules and regulations binding on HLBB (“collectively referred to as the “**General Terms and Conditions of Accounts**”). In the event of any discrepancy or inconsistency between the General Terms and Conditions of Accounts and the Terms and Conditions herein, the Terms and Conditions herein shall prevail for the purpose of interpretation of this Terms and Conditions.
- 2.2 The Branch Customer will need to have an active Designated CASA at the point of Placement.
- 2.3 The Non-Branch Customer will need to (i) transfer their fund into HLBB’s MYR RENTAS account for their Placement, (ii) have their KYC approved by HLBB and (iii) maintain a valid banking account with other licensed banks **solely in the Non-Branch Customer’s name (“Non-HLBB Account”)** at the point of Placement.
- 2.4 The accountholder(s) of the Designated CASA or the Non-HLBB Account, as the case may be, must only be the Customer who has effected the Placement. Any debiting or crediting in respect of the STP shall be effected to the same Designated CASA or the Non-HLBB Account, as the case may be.
- 2.5 The Customer shall ensure that the Designated CASA or the Non-HLBB Account, as the case may be, is operative at all times to facilitate the placement or crediting of principal and interest amount either upon maturity or Early Withdrawal (as defined in Clause 7.2 of these Terms and Conditions).

2.6 Any Placement under these Terms and Conditions shall be in MYR or any other approved foreign currency with the minimum sum prescribed for the corresponding tenure as may be determined by HLBB Global Markets from time to time. The Customer may email to the Authorized Dealers for STP enquiries and Placement at HLBBGlobalMarketsBalancesheetManagement@hlbb.hongleong.com.my.

2.7 There are no fees and charges for STP. However, HLBB reserves the right to vary the terms for such fees and charges from time to time with twenty-one (21) days prior written notice.

3. Tenure

3.1 STP tenure shall range from one (1) day to a maximum of three hundred and sixty-five (365) days as may be elected by the Customer and agreed by HLBB Global Markets.

3.2 The Placement shall be effective on the date the Placement is done with all conditions listed in Clause 5.6 below are fulfilled.

3.3 In the event the Maturity Date of a STP falls on a non-Business Day, the Maturity Date shall be deemed to fall on the next Business Day and interest shall be calculated accordingly.

4. Cut-Off Time

4.1 The cut-off time for Placement shall be at 12.00 p.m. on a Business Day (“**Cut-Off Time**”). The Customer will need to contact HLBB Global Markets should the Customer need to make the Placement after the Cut-Off Time.

5. Placement of STP

5.1 The minimum Placement amount for a non-individual Customer shall be Ringgit Malaysia One Hundred Thousand (RM100,000) for MYR Placement or Ringgit Malaysia Five Hundred Thousand (RM500,000) equivalent for foreign currency Placement.

5.2 The minimum Placement amount for High Net Worth (HNW) individual customers of Hong Leong Private and Priority Banking shall be Ringgit Malaysia One Hundred Thousand (RM100,000.00). However, minimum Placement amount for any other individual Customer shall be Ringgit Malaysia Three Million (RM3,000,000). For the avoidance of doubt, Placement in foreign currency is not available for individual Customers.

5.3 HLBB Global Markets may stipulate and/or vary, from time to time, the amount of the minimum Placement with prior written notice to its Customers.

5.4 All STP shall be quoted, negotiated and confirmed by the Authorized Dealer only.

5.5 The mode or manner of the Placement shall be as prescribed by HLBB Global Markets from time to time, whether over the counter, at the branches or through the use of

phone banking or electronic forms as may be made available by HLBB from time to time.

- 5.6 The Placement will commence or take effect only upon actual receipt by HLBB Global Markets of:
- (i) The Customer's written instruction with information of the Placement i.e. amount, tenure, rate from the Customer or the Customer's authorized personnel; and
 - (ii) The funds from the Designated CASA or Non-HLBB Account, as the case may be.
- 5.7 The Customer must provide an instruction letter to HLBB on each Placement with information of the Placement amount, tenure, rate, payment instruction and any other details that are relevant to the Placement.
- 5.8 A confirmation advice with the details of the Placement i.e. tenure, maturity date, interest rate and principal amount shall be issued to the Customer as confirmation of the Placement ("**Confirmation Advice**").
- 5.9 The Customer must examine all entries and details in the Confirmation Advice and immediately report to HLBB Global Markets if any error found therein. If the Customer does not, within seven (7) days (or such other period as specified by HLBB) after the Customer's receipt of the Confirmation Advice, object to any entry therein, the Customer shall be deemed to have accepted the entries made in the Confirmation Advice as correct and discharge HLBB from all liabilities.
- 5.10 HLBB Global Markets may record all telephone conversations, official online chat channel, emails and instructions and may use such recordings and transcripts as evidence in the event of dispute.

6. Interest Rate/ Interest Payment

- 6.1 Interest rates for STP are available and published in the HLBB's website and can be found in HLBB Global Markets' webpage.
- 6.2 Interest rates for STP are fully negotiable between Customer and HLBB depending on the Placement amount, tenure, market rates, market liquidity, interest rates outlook, HLBB's liquidity position and any other factors that may be applied.
- 6.3 Interest at such rates is only guaranteed if the STP is held to maturity of the Placement.
- 6.4 Interest calculation is based on number of days in the tenure of the STP, counting from the start date but excluding the end date.
- 6.5 The computation of interest for STP denominated in MYR and interest amount payable in MYR are based on calculation method below:
- $(\text{Principal Amount} \times \text{Interest Rate (\%)} \times \text{No of days})/365$
- 6.6 For the computation of interest for STP denominated in foreign currency, interest amount shall be calculated on 365 days basis or 360 days basis (depending on the

day count convention of the respective currency) and shall be based on calculation method below:

$(\text{Principal Amount} \times \text{Interest Rate (\%)} \times \text{No of days})/365$; or
 $(\text{Principal Amount} \times \text{Interest Rate (\%)} \times \text{No of days})/360$

7. Withdrawal of STP

- 7.1 The interest amount and principal amount of the STP will be automatically credited to the Customer's Designated CASA or Non-HLBB Account, as the case may be, upon maturity.
- 7.2 Any withdrawal of the STP before the Maturity Date ("**Early Withdrawal**") must be in full by sending written request to HLBB in order for HLBB to act on the Customer's request for Early Withdrawal. Partial withdrawals of the STP are not allowed.
- 7.3 No interest shall be paid on Early Withdrawal.

8. Rollover

- 8.1 Instruction or confirmation from the Customer shall be required and must be received by HLBB before the Cut-Off Time on or before Maturity Date if the Customer intends to rollover the STP. In the absence of Customer's instruction, no automatic rollover will be conducted upon maturity.

9. Change in Customer Particulars

- 9.1 It is important for the Customer to ensure that their particulars such as address, contact numbers, email address, authorized personnel to deal on behalf of the Customer and authorized signatories given to HLBB are accurate and kept updated at all times. Any change of these and other particulars that are relevant to the Placement with HLBB shall be notified to HLBB immediately in writing.
- 9.2 If the Customer has not notified HLBB of any change in Customer particulars, HLBB shall be entitled to rely on the last known Customer's particulars in HLBB's records.
- 9.3 The Customer authorizes and consents to HLBB obtaining any other information of the Customer from any sources including but NOT limited to Central Credit Reference Information System (CCRIS), Financial Information Services Sdn. Bhd.(FIS), Credit Tip-Off Service (CTOS) or any credit reference agency, or any authorities and by whatever means and at any time as HLBB considers appropriate.

10. Anti-Bribery, Anti-Corruption and Whistleblowing Undertakings

- 10.1 The Customer hereby acknowledges that HLBB practices a zero-tolerance position towards any form of bribery and corruption in line with its ABC Policy.
- 10.2 The Customer hereby acknowledges and undertakes as follows: (i) that the Customer has read and understood the ABC Policy; (ii) that the Customer shall, and shall cause its directors, officers, employees and its authorized representatives or agents, to

comply with the ABC Policy and Anti-Bribery Laws; and (iii) to notify HLBB of any non-compliance or attempted non-compliance with the ABC Policy and/or Anti-Bribery Laws by any employee of HLBB or persons associated with HLBB by reporting the same through the HLBB Whistleblowing Policy.

11. Representation and Warranty on Processing of Personal Information (for non-individual Customer)

- 11.1 The Customer hereby represents and warrants that the Customer has obtained the consent of all persons named in the Customer's application for the STP submitted to HLBB Global Markets in support of such application and/ or their authorized representatives, including but not limited to the Customer's directors, shareholders, authorised signatories or such other persons as specified by the HLBB ("Relevant Data Subjects") for HLBB's collection, holding and use of the personal information of the Relevant Data Subjects in accordance with HLBB's Privacy Notice as may be amended from time to time.

12. Representation and Warranty on Processing of Personal Information (for individual Customer)

- 12.1 The Customer hereby confirms that the Customer has read, understood and agreed to be bound by the HLBB's Privacy Notice and the clauses herein, as may relate to the processing of the Customer's personal information. The Customer also agrees that the said Privacy Notice shall be deemed to be incorporated by reference into these Terms and Conditions.

13. Notices by HLBB

- 13.1 Any notification from HLBB to the Customer may be given in any of the following manner:
- (i) by ordinary post or registered post or courier or by hand sent to or left at the Customer's last known address registered with HLBB and shall be deemed to be received by the Customer within three (3) Business Days from posting if sent by ordinary post or registered post and within two (2) Business Days from sending if by courier or upon acknowledgment of receipt if by hand; or
 - (ii) by general notice in one major newspaper or posted at HLBB's branch premises or on visual screen through a computer or visual terminal or at HLBB's website "www.hlb.com.my", and the notice shall be deemed to have been sent or effective from the date of such notice is made available or the date specified in the notice.
- 13.2 Any change to these Terms and Conditions would be communicated to the Customer in the manner mentioned in Clause 13.1 above before the changes are introduced.

14. Disclosure

- 14.1 In addition to the permitted disclosures provided under Schedule 11 of the Financial Services Act 2013, the Customer authorizes and permits HLBB, its officers and employees to disclose and furnish all information concerning the STP, these Terms and Conditions, present and future accounts of the Customer and any other matters relating to the Customer or its business and operations to:
- (i) other financial institutions granting or intending to grant any credit facilities to the Customer, the Central Credit Bureau or any other central credit bureau established by Bank Negara Malaysia, Cagamas Berhad, Credit Guarantee Corporation, any other relevant authority as may be authorized by law to obtain such information or such authorities/agencies established by Bank Negara Malaysia or any agency established by the Association of Banks in Malaysia in Malaysia;
 - (ii) any current or future corporation which may be associated with or related to HLBB (as defined in the Companies Act 2016), including representative and branch offices and their respective representatives as well as subsidiaries of HLBB's holding company;
 - (iii) the security parties or any party intending to provide security in respect of the STP;
 - (iv) HLBB's auditors, solicitors and/or other agents in connection with the recovery of moneys due and payable hereunder; and
 - (v) HLBB's professional advisers, service providers, nominees, agents, contractors or third-party service providers who are involved in the provision of products and services to or by HLBB and its related or associated companies.
- 14.2 The Customer hereby consents to such disclosure and confirms that HLBB, its officers and employees shall be under no liability for furnishing such information or for the consequences of any reliance which may be placed on the information so furnished in accordance with these Terms and Conditions.

Member of Perbadanan Insurans Deposit Malaysia.

Protected by Perbadanan Insurans Deposit Malaysia up to RM250,000 for each depositor.

For more information, please refer to the PIDM information brochures that are available at HLBB website at www.hlb.com.my or go to the website at www.pidm.gov.my



**ACKNOWLEDGEMENT OF RECEIPT OF THESE STP TERMS AND CONDITIONS
(For non-individual Customer)**

I/we hereby confirm and acknowledge that:

1. I/we have received a copy of the STP Terms and Conditions and have read and fully understood its contents.
2. HLBB's officers have explained to me/us that this STP is protected by Perbadanan Insurans Deposit Malaysia (PIDM) up to RM250,000 for each depositor and have provided me/us the hyperlink to PIDM webpage and the HLBB's webpage where the electronic copy of the DIS Brochure is displayed.

For and on behalf of:

[insert the name of customer]

.....

Name:

Designation:

Date:

For and on behalf of:

[insert the name of customer]

.....

Name:

Designation:

Date:

**ACKNOWLEDGEMENT OF RECEIPT OF THESE STP TERMS AND CONDITIONS
(For individual Customer)**

I/we hereby confirm and acknowledge that:

3. I/we have received a copy of the STP Terms and Conditions and have read and fully understood its contents.
4. HLBB's officers have explained to me/us that this STP is protected by Perbadanan Insurans Deposit Malaysia (PIDM) up to RM250,000 for each depositor and have provided me/us the hyperlink to PIDM webpage and the HLBB's webpage where the electronic copy of the DIS Brochure is displayed.

[insert the name of customer]

.....
Name:

Date: