

PRODUCT DISCLOSURE SHEET



RHB BANK BERHAD
Registration No: 196501000373 (6171-M)

Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information on your **Industrial Hire Purchase**.

Other customers have read this PDS and found it helpful; **you should read it too.**

Date :

1 What is Industrial Hire Purchase?

Industrial Hire Purchase (IHP) is a loan facility (“Facility”) for the acquisition of equipment and machinery (referred to “goods”) for use in business. In an IHP Agreement, the legal ownership of the goods belongs to the financial service provider (FSP). The Hirer is merely hiring the goods from the FSP. The legal ownership of the goods will only be transferred to the Hirer upon full settlement of the IHP Agreement.

2 Know Your Obligations?

For this Industrial Hire Purchase, as an illustration:

- Cost of equipment : RM _____
- Deposit : RM _____
- Net Amount Financed : RM _____
- Interest rate (flat) : _____ %
- Effective yield : _____ % p.a.
- Tenure : _____ years
- Prepaid Installments : _____ month

Monthly Installment:

- _____ monthly installments of RM _____
- Final Installment of RM _____
- The total amount you must repay, including the amount borrowed is RM _____

You also have to pay the following fees and charges:

- **Stamp Duties:** Ad valorem duty as per the Stamp Act 1949 (Revised 1989).
- **Restructuring / Rescheduling:**
 - 1) **SME customers:** As per the Stamp Act 1959 (Revised 1989).
 - 2) **Corporate customers:** As per the Stamp Act 1959 (Revised 1989) and processing fee of RM230.

It is your responsibility to:



Read and understand the key terms in the contract before you sign it.



Pay your monthly instalment timely and in full during the financing tenure. Contact the Bank if you wish to settle your financing earlier.



Ensure you can afford to pay a higher instalment if the Overnight Policy Rate (OPR) rises.



Contact the Bank immediately, if you are unable to pay your monthly instalment.

IMPORTANT NOTE:

The information in this Product Disclosure Sheet is given on a general basis without obligation and is strictly for information only. The information contained in this document are based on certain assumptions and information available as at the date of this document, all of which are accordingly subject to change at any time with notice. This document may be translated into a language other than English. The English version of this Product Disclosure Sheet shall prevail in case of any inconsistencies with Bahasa Melayu version.

3 Know Your Risks

What happen if you fail to pay your monthly instalments?

- Late payment charges: _____% per annum simple interest calculated on a daily basis will be charged on any sums in arrears.
- Repossession of goods.
- LEGAL ACTION MAY BE TAKEN AGAINST YOU IF THERE IS ANY BREACH OF THE HP AGREEMENT RELATING TO REPAYMENT OF INSTALMENTS.

- a)** What if I/we fully settle the loan during the lock-in period?
- You are required to give three (3) months' notice in writing.
 - Entitled to a discount of the term charges.
- b)** Do I/we need any insurance coverage?
- Business Machines And Equipment (BME) Insurance must be taken up to cover immobile machines and equipment.
 - Equipment All Risk (EAR) Insurance must be taken up to cover mobile equipment not licensed for use on public road.
 - Comprehensive Insurance must be taken up to cover mobile equipment licensed to use on public road.
 - Single Premium Insurance (applicable for BME and EAR) that covers for the whole tenure of the loan. The insured will have an option to include the Single Premium into the loan and be payable over the repayment period. The policy will be entitled to a Long Term Agreement Discount.
 - You must provide a copy of the renewed insurance policy to us not less than fourteen (14) calendar days' before the expiry date of the insurance policy in respect of the second and subsequent years, which the goods still remain to be under hire purchase.
Note: Quotation will be provided by our sales staff for the abovementioned insurance cover offered by RHB Insurance Berhad. You are free to use the service of non-panel insurers / takaful operators. However, to avoid any delay in insuring your goods, the appointment of RHB's panel insurers is highly encouraged.
- c)** What if I/we fail to renew the insurance policy?
- We shall renew the insurance policy at our discretion and debit the cost of the said renewal into your Hire Purchase account or your current account with us with seven (7) calendar days' of prior written notice to you. This serves to ensure that you are adequately protected against financial hardship arising from the occurrence of insured events.
- d)** How is the appropriation of repayment made in IHP Agreements?
- Repayment made by you shall first be allocated to clear any overdue insurance premium before any instalment payable under this IHP Agreement.
- e)** Do I/we need guarantor (s)?
- Yes

If you have any questions or require assistance on your Industrial Hire Purchase, you can:



Call us at:
03-9206 8118



Visit us at:
<http://www.rhbgroup.com>



E-mail us at:
customer.service@rhbgroup.com



Scan the QR code above