

TERMS & CONDITIONS FOR FLEXI ASSETS FINANCING

Key Facts Statement (KFS)

General Terms for Flexi Assets Financing

1. Industrial and Commercial Bank of China (Asia) Limited (“the Bank” or “ICBC (Asia)”)’s decision to approve the application for Secured Lending Service under Flexi Assets Financing for Loan and/or Overdraft (“Secured Lending Service”) is based on the information provided by the applicant and his/her credit condition. The Bank reserves the right to determine the facility amount and interest rate offered and other applicable terms. The Bank also reserves all rights of final decision in relation to the approvals of applications for Secured Lending Service and is under no obligation to provide any reason. Where necessary, the Bank may require the applicants to provide other additional documents for processing the applications further.
2. Customers should pay punctually to the Bank all interest and/or fees from time to time as determined by the Bank. The Bank reserves the right to alter the interest rate or charges applicable to the Secured Lending Service from time to time and may notify the customers of such alteration in any manner it thinks fit. The interest and/or charges concerned shall be debited directly from the designated account.
3. In the event that the Secured Lending Service is overdraft facility,
 - a The approved overdraft facility shall be subject to review annually or at any time at the Bank’s absolute discretion. The Bank may adjust the overdraft limit or withdraw the overdraft facility at its absolute discretion;
 - b Interest will accrue on the debit balance under the current account with approved overdraft facility (“Overdraft Account”) at the rates and in the manner as determined by the Bank from time to time, and will be debited from the customers’ Overdraft Account at the times decided by the Bank;
 - c The Bank shall have the right to charge interest at HKD/USD Prime Rate or 1-month HIBOR/LIBOR (whichever is higher) +10% p.a. on any sum which is drawn in excess of the approved overdraft facility;
 - d Customers should be prepared to receive notification of additional deposit request. A demand for any additional deposit is effective upon a message being left at the telephone number provided by the customer with any person, or upon sending an email or fax to the customer’s email address or fax number known to the Bank, whether or not (or when) the communication is received by the customers; and
 - e Customers will be required to make additional deposit as requested by Bank from time to time and may be requested to make such additional deposit or pay interest with short notice. The Bank may debit any additional deposit as such requested from any of the customer’s account(s) maintained with the Bank.
4. Where the loan and the collaterals of Secured Lending Service are in different currencies, exchange rate risk will be involved.
5. The Bank shall have absolute discretion to prescribe and revise the eligibility of collateral and the relevant lending ratio from time to time, including addition or disqualification of eligible collaterals, or adjustment of the relevant lending ratio without prior notice.
6. Customers are liable to pay any short fall and/or accrued interest generated due to the Secured Lending Service under the designated account.
7. Interest will accrue on all sums due from but unpaid by the customer and on any debit exceeding the approved overdraft limit at the interest rate and handling charge (if any) as determined by the Bank at the material times from the due date until repayment in full (before or after judgment).
8. Customers should notify the Bank as soon as possible of any difficulty in repaying or servicing the loan over the lending period.
9. If the Event of Default (as defined in Clause 9 of the Bank’s Master Terms and Conditions - Investment Products) occurs, or if any circumstances arise which in the Bank’s opinion might jeopardize the Bank’s interests in relation to the customer’s Financing Account (whether or not the Bank has issued a notice about an additional deposit request and whether the period for satisfying such request has expired), all sums owing by the customer under his/her Overdraft Account will immediately become due and payable. The Bank may without prior notice:
 - a transfer from any or all of the customer’s account(s) any amount(s) (of any nature and whether the amount(s) is/are matured or not) to his/her Financing Account; and
 - b sell/redeem all of the collaterals which have been pledged for the Secured Lending Service and apply the proceeds from the sale/redemption after deducting all reasonable expenses to repay any amounts owing to the Bank by the customer in the order as reasonably adopted by the Bank.
10. If the currency of banking facility is different from that of the collateral or any part of such, currency of the collateral shall be converted into the currency of the outstanding under the Secured Lending Service at the Bank’s spot buying rate (which is conclusively determined by the Bank).
11. If any Event of Default occurs, the Bank may cancel any outstanding instructions or terminate any contracts in relation to the customer’s Financing Account without legal liability.
12. If the customer fails to pay on demand of any secured obligation, or there is breach of any provision of these Terms and Conditions, or the customer is insolvent on due date or admits being insolvent, or the customer is being subject to bankruptcy, insolvency or debt consolidation or related procedures, or there is legal proceedings against any assets of the customer, the Bank may take legal action or any other action against the customer. The Bank may realize or redeem all the assets pledged by the customer in satisfaction of his/her secured obligation at any time and in any way as it thinks fit. The customer shall not have any rights to claim against the Bank in respect of losses arising from such sale/redemption regardless of the reason for incurring those losses.
13. The Secured Lending Service is not applicable to the staff of ICBC (Asia).
14. Any person or entity that is not a party to this Terms & Conditions shall have no rights under the Contracts (Rights of Third Parties) Ordinance (Cap. 623) to enforce any part of this Guarantee.
15. The Bank reserves the right to vary or terminate the Secured Lending Service at any time and to amend these Terms and Conditions from time to time. In case of any dispute, decision of the Bank shall be final and conclusive.
16. In case of any discrepancy between English and Chinese versions of these Terms and Conditions, English version shall prevail.

Additional Terms for Flexi Assets Financing – Investment Funds & Shares

17. Limit of Secured Lending Service will be adjusted automatically according to the market value of the collateral held by the customers and the relevant lending ratio from time to time. Lending ratio of the eligible collateral is determined and shall be subject to variation from time to time by the Bank at its absolute discretion. Only those eligible collaterals under individual sole name account of the customers will be taken into consideration for calculating the pledged asset value for the Secured Lending Service.
18. In the event that the Secured Lending Service is secured by investment funds,
 - a The Secured Lending Service is only applicable to Elite Club or Private Banking customers. The Secured Lending Service shall be cancelled at the same time when the relevant Elite Club or Private Banking service is terminated; and
 - b The Bank’s prior consent is necessary for the customers to place instructions in relation to the pledged investment funds (including but not limited to investment fund switching or redemption) which being frozen in status due to the Secured Lending Service.

Key Facts Statement (KFS) for Overdraft Facility Industrial and Commercial Bank of China (Asia) Limited

“Flexi Assets Financing” Secured Overdraft Facility Jul 2017

This product is an Overdraft Facility.
This statement provides you with indicative information about interest, fees and charges of this product but please refer to our offer letter for the final terms of your Overdraft Facility.

Interest Rates and Interest Charges

Annualised Interest Rate*	Collateral Type	Overdraft Currency	Annualised Interest Rate*
	Deposit	HKD	USD
USD			
Share	HKD		HKD P – 1.25% to HKD P – 0.25%
Investment Fund	HKD		HKD P – 2.5% to HKD P – 2%
	USD		USD P – 0.5% to USD P
RMB Government Bond	HKD		Hibor + 2.5%

Annualised Overdue / Default Interest Rate	Not applicable
Overlimit Interest Rate	HKD/USD P or 1-month HIBOR/LIBOR (whichever is higher) + 10%p.a. will be applied to your overdraft exceeds the authorized limit if your current loan balance exceeds the credit limit of the loan.

Fees and Charges

Annual Fee / Fee	Set-up Fee : HKD1,000 per limit Annual Review Fee : HKD1,000 per limit Cancellation Fee (for the 1 st year) : HKD1,000 per limit
Late Payment Fee and Charge	Not applicable
Overlimit Handling Fee	HKD120/ USD15 per item
Returned Cheque / Rejected Autopay Charge	Returned Cheque : HKD150/ USD20 per cheque Rejected Autopay Charge : HKD150 per transaction

Additional Information

* The final approved Annualized Percentage Rate (APR) is subject to the loan amount and credit assessment result.

- As of 27 Jun 2017, the Best Lending Rate (“HKD P” and “USD P”) of the Bank are 5.25% and 3.25% respectively and the 1-month HIBOR (“Hibor”) quoted by the Bank in the Hong Kong Interbank Hong Kong Dollar Market at or about 11:00a.m. (Hong Kong Time) is 0.45%.