

**1. Product Name**

Bualuang Green Loan for Transition to Environmental Sustainability

**2. Product Objectives**

To support businesses that aim to transition to environmental sustainability through investments in three areas:

- 1) Avoiding or reducing greenhouse gas emissions
  - 1.1) Energy conservation buildings
  - 1.2) Energy efficiency
  - 1.3) Electrification (replacing fossil fuel equipment with electric equipment)
- 2) Adaptation to climate change
  - 2.1) Precision farming technology
  - 2.2) EVAP (Evaporative Cooling System) greenhouses
  - 2.3) Technologies and processes that enhance water management efficiency and/or water recycling systems
- 3) Avoiding or reducing pollution
  - 3.1) Wastewater treatment systems
  - 3.2) Air pollution treatment systems

\* Investments for which loans are requested must be able to measure environmental impact as specified by the bank.

**3. Product Characteristics**

- **Type of Credit Line:** Long-term loan
- **Credit Limit:** Loans are granted based on the necessity of the investment project and the borrower's repayment ability.
- **Repayment Period:** Up to 8 years
- **Interest Rate:** Year 1-2 MLR-1.25% per year, thereafter MLR-1.00% per year for the entire contract period (referencing the current MLR interest rate as announced by the bank)

\* Loan application period from August 7, 2024, to July 31, 2026

#### 4. Repayment Conditions

- Repayment in installments according to the terms and duration agreed with the bank.
- Debt repayment order: The bank will apply payments to fees, overdue interest, regular interest, and principal of the longest overdue installment first, then to the next longest overdue installment, in that order.
- Repayment principle: Reducing principal and interest

#### 5. Fees and Service Charges

- 1) **Front End Fee:** Maximum of 3.00% of the approved credit limit
- 2) **Prepayment Fee for Commercial Loan Customers:** Not exceeding 3.00% of the prepaid loan amount.  
For SMEs, no prepayment fee is charged if the loan is repaid after 5 years from the first drawdown.
- 3) **Government Agency Fees:**
  - Stamp duty: 0.05% of the credit limit, up to a maximum of 10,000 THB
  - Mortgage registration fee: 1.00% of the loan amount, up to a maximum of 200,000 THB
  - Fees related to business collateral (collected according to government agency regulations)
- 4) **Collateral Survey and Appraisal Fees:** Fees depend on the type, size, and number of collateral items, as per the bank's announcement on the website [www.bangkokbank.com](http://www.bangkokbank.com) or at branches.
- 5) **Fees Paid to Third Parties or External Agencies:**
  - Insurance premiums: Fire insurance or credit life insurance premiums vary based on factors such as insurance coverage, insurance period, property/building value, age/gender.
  - TCG loan guarantee fees and related fees: Fees are as per each project specified by TCG.
- 6) **Other Fees and Service Charges:** As specified by the bank's announcement

#### 6. Collateral

- Assets such as deposits, land, land with buildings, machinery, etc.
- TCG guarantee
- Personal/Corporate guarantee

\* The bank considers the collateral used to secure the loan based on the appropriateness and risk of the borrower.

#### 7. Repayment Channels

- Payment by direct debit from the deposit account with the bank
- Cash payment at the bank's branches
- Transfer via iBanking, Mobile Banking, or Biz iBanking from Bangkok Bank

**Important Notes/Cautions**

- o Interest rates, fees, and service charges are referenced according to the bank's announcement on the website [www.bangkokbank.com](http://www.bangkokbank.com) or at branches and business offices.
- o In case of problems with loan repayment according to the specified terms and period, notify the bank immediately to jointly consider solutions.
- o In case of non-repayment according to the contract terms, the customer must pay interest at the highest normal contract rate plus 3.00% per year of the overdue principal from the date of default until repayment according to the contract terms, and pay debt collection fees (if any). The bank may also offset, terminate the contract, or take legal action.
- o In case of payment by direct debit from the deposit account with the bank, please deposit funds into the account before the due date.
- o The bank will send a receipt for the installment paid in the previous month to the customer every month at the address provided to the bank.
- o In case of changes to product terms or services that affect the borrower, the bank will clearly notify the borrower of the significant changes in advance within a sufficient period.
- o If the borrower changes contact information, notify the bank immediately to ensure effective communication and delivery of important information.

**For more details about the product and contact channels of Bangkok Bank:**

- o Visit the Bangkok Bank website at [www.bangkokbank.com](http://www.bangkokbank.com)
- o Call Bangkok Bank Call Center at 1333 for domestic calls or (66) 0 2645 5555 for international calls
- o Visit Bangkok Bank business centers nationwide

**Insurance Required for Loan Application****Fire Insurance****Fire Insurance Coverage for Collateral Buildings to Mitigate Damage from Fire or Natural Disasters****Q : What are the benefits of fire insurance?**

A : Fire insurance provides coverage for damage to property caused by fire and other perils specified in the policy. The compensation received from the insurance will be used to repair the insured property or to offset the borrower's outstanding debt. If there is any remaining money after the debt is paid, the bank will return the remaining amount to the borrower.

**Q : What is the required insurance coverage and duration for fire insurance?**

A : The insurance coverage must be at least equal to the appraised value of the building or as specified. The insurance must cover the entire loan period.

*\* It must comply with the criteria set by the Office of Insurance Commission (OIC).*

**Q : Can the bank require the borrower to take out fire insurance with a specific insurance company?**

A : The borrower has the right to choose to take out fire insurance with the insurance company proposed by the bank or any other reputable insurance company at the borrower's discretion. The policy must name the bank as the beneficiary and must be submitted before the loan disbursement date and renewed annually until the debt is fully repaid.

**Q : What happens if the fire insurance coverage is less than the appraised value?**

A : If the insurance coverage is less than the appraised value, the compensation will be paid proportionally to the actual damage compared to the insurance coverage. For example, if the appraised value of the building is 5 million THB and the fire insurance coverage is 2.5 million THB, and a fire causes damage worth 500,000 THB, the insurance company will pay 250,000 THB.

**Q : What are the advantages of taking out fire insurance with the bank's designated insurance company?**

A : It reduces the borrower's burden of submitting annual renewal policies. The bank will coordinate to claim fair compensation for the borrower. The bank has special assistance measures in case the borrower faces a disaster.

**Optional Insurance for Loan Application, but It May Be Beneficial to You****"Credit Life Insurance."**

Credit Life Insurance. If the borrower passes away, the insurance company will be responsible for the debt according to the terms specified in the policy.

**Q : What are the benefits of credit life insurance?**

A : In the event of the borrower's death, the debt will not fall on the borrower's heirs. The insurance company will pay off the debt according to the insured amount specified in the policy. If there is any remaining insurance coverage after the debt is paid, the bank will give the remaining amount to the heirs. (This life insurance premium can be used for tax deductions if the coverage period is at least 10 years, according to the criteria set by the Revenue Department.)

**Q : How much insurance coverage and coverage period should the borrower have?**

A : The insurance coverage should be equal to the loan amount, and the coverage period should be equal to the loan period. However, it depends on the borrower, who can choose the insurance coverage and coverage period themselves. If the coverage is not equal to the loan amount or the coverage period is not equal to the loan period, there is a risk that the insurance will not cover the debt. The debt will fall on the borrower's heirs if the borrower passes away. For example, if the borrower has a 5-year loan and takes out 3 years of insurance, in the 4th year, if the borrower passes away, there will be no coverage, and the debt will become the responsibility of the heirs.

**Q : Does the bank require the borrower to take out credit life insurance?**

A : No, it is optional. The borrower has the right to choose whether to take out credit life insurance or not, and it does not affect the loan approval process.

**Q : Who should take out credit life insurance?**

A : Authorized directors (key executives).