

1. Product Name

Franchise Business Loan

2. Product Objectives

To support entrepreneurs to invest in a franchise business.

* Franchise brands applying for the loan must comply with the criteria prescribed by the Bank.

3. Product Characteristics

- **Type of Credit Line:** Long-term loan
- **Credit Limit:** Up to 70% of investment funds required per branch (with a maximum of 5 million baht)
- **Repayment Period:** Maximum of 7 years (not exceeding the franchise contract period)
- **Interest Rate:** Maximum MRR+2.00% per annum throughout the loan contract period (referencing the current MLR as announced by the Bank)

* Loan application period is from March 7, 2025 to December 31, 2028

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, interest, and principal of the longest overdue installment first, then to the next longest overdue installment, in that order, in accordance with the terms and conditions specified in the contract
- Repayment principle: Reducing principal and interest

5. Fees and Service Charges

- 1) **Front End Fee:** A minimum of 1.00% of the approved loan amount (maximum of 3.00%)
- 2) **Prepayment Fee for Commercial Loan Customers:** Not exceeding 3.00% of the prepaid loan amount
The Bank waives the prepayment fee for early loan repayment made after 5 years from the date of the initial loan drawdown for Small and Medium Enterprises (SME)
- 3) **Government Agency Fees:**
 - Stamp duty: 0.05% of the credit limit, up to a maximum of 10,000 baht
 - Mortgage registration fee: 1.00% of the loan amount, up to a maximum of 200,000 baht
 - 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 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, as prescribed by the insurance company
 - 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, etc
 - TCG guarantee
 - Personal/corporate guarantee
- * The Bank considers the collateral required 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, Bangkok Bank Mobile Banking, or Biz iBanking

Important Notes/Cautions

- Interest rates, fees, and service charges are referenced according to the Bank's announcement on the website www.bangkokbank.com or at branches and business centers
- In case of problems with loan repayment according to the specified terms and period, please notify the Bank immediately to find solutions together
- 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
- In case of payment by direct debit from the deposit account with the Bank, please deposit funds into the account before the due date
- 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
- In case of changes to product terms or services that affect the borrower, the Bank will clearly notify the borrower in advance through the Bank's communication channels
- If the borrower changes contact information, please 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:

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

Insurance Required for Loan Application**Fire Insurance**

Fire insurance coverage for buildings used as collateral to mitigate damage from potential 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 sum insured and duration for fire insurance?

A : The sum insured must not be less than 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 : Does the Bank require the borrower to take out fire insurance with a specific insurance company?

A : The borrower can choose to take out fire insurance with the insurance company proposed by the Bank or any other reputable insurance companies 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 sum insured is less than the appraised value?

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

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 if the borrower experiences a disaster.

Optional Insurance for Loan Application, but May Be Beneficial to You

"Credit Life Insurance."

Credit Life Insurance. If the borrower passes away, the insurance company will be responsible for paying off 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.)

What is the required sum insured and duration for**Q : What is the recommended sum insured and duration for the credit life insurance?**

A : The sum insured should be equal to the loan amount, and the coverage period should be equal to the loan period. However, if the borrower chooses the sum insured less than the loan amount or the coverage period shorter than 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 the credit life insurance?

A : Authorized directors (key executives).