

FAQs: Instalment Revision for Mortgage Loan/Financing Accounts

**Q1: Why did I receive a notice/SMS from the Bank advising me that my instalment amount has been decreased starting 01/07/2019?**

A1: The Bank has adjusted the following reference rates effective from 15/05/2019:

Reference Rates	
Base Rate (BR)/Islamic Base Rate (IBR)	3.88% p.a.
Base Lending Rate (BLR)/Islamic Financing Rate (IFR)	6.89% p.a.
12-month Fixed Deposit Rate (FDR)	2.85% p.a.

In line with this adjustment, the Bank have reviewed your mortgage/property financing-i account and revised your instalment effective from 01/07/2019.

**Q2: I have existing loan/financing with Hong Leong Bank/Hong Leong Islamic Bank. Will the decrease in reference rates affect the interest rate/profit rate of my loan/financing account?**

A2: Yes. If your existing loan/financing account is pegged to the reference rate, the interest rate/profit rate of your account will also be revised.

**Q3: I noticed that my instalment amount has been revised. Why did I not receive the notification letter from the Bank to inform me on this instalment revision?**

A3: The notification letter on instalment revision was delivered to you by normal mail in June 2019 based on the correspondence address provided by you. If you have changed your correspondence address, you are advised to go to our nearest branch to update your correspondence address.

**Q4: How is my revised instalment calculated?**

A4: The revised instalment is calculated based on your loan/financing outstanding balance as at 14/06/2019, the remaining tenure and the current effective interest/profit rate after the reference rates adjustment.

**Q5: I have several loan/financing accounts with your Bank. Why did I receive only one notification letter from the Bank?**

A5: If you did not receive any notification letter for your other accounts, it means that your other accounts are excluded from instalment revision during this round and hence instalment adjustment is not required. We will continue to review all your accounts as and when an adjustment is required and notify you accordingly.

**Q6: My revised instalment amount is lower than my old instalment amount. Can I opt to maintain my old monthly instalment amount?**

A6: Yes. You are required to fill up and sign a Service Request Form (SRF) to maintain the old instalment amount. You can submit the SRF at the nearest branch or our Contact Centre. However, we would like to bring to your attention that in the event of future instalment revision (whether upwards or downwards) due to change in the reference rates, this may again affect your old instalment amount maintained. Assuming it is a downwards revision and you still wish to maintain the old instalment amount; you will need to submit a fresh request to the Bank.

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