PRODUCT DISCLOSURE SHEET

Date: <<Date Letter Offer issued>>

Dear Customer,
This Product Disclosure Sheet (PDS) provides you with key information on your loan.

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

1 What is HLB Mortgage Overdraft?

HLB Mortgage Overdraft

This facility is granted to you for the purpose of purchasing properties, refinancing a loan or investment opportunity. This facility is calculated on a variable rate basis and you are offering your property as a security to the Bank. It offers flexibility in repayment & withdrawal of funds within the facility limits through Overdraft Current Account.

The facility is subjected to monthly reduction & the facility limit will be reset to zero by the time you reach 65 years old in which for:
(a) Combination of Term Loan & Overdraft – monthly reduction commencing from the 61st month from the date of full availability of Overdraft Facility.
(b) Overdraft only – monthly reduction commencing from the 37th month from the date of full availability of Overdraft Facility.

For combination of Overdraft Facility with Term Loan, the Overdraft Facility will only be available once the Term Loan is fully disbursed.

2 Know Your Obligations

For this loan, **as an illustration:**

Facility 1
- Your loan amount: **RM <Total Loan Amount>**
- Your monthly instalment: **RM <x>**
  Thereafter RM <x>
- Your loan tenure: **<xx> months**
- Standardised base rate (SBR)*: **<a>%**
- Interest rate: **Year 1-2 <aa>% p.a.**
  Thereafter SBR + <aa>% p.a.
- Effective interest rate: **Year 1-2 <aaa>% p.a.**
  Thereafter <aaa>% p.a.

Facility 2
- Your loan amount: **RM <Total Loan Amount>**
- Your monthly instalment: **RM <x>**
  Thereafter RM <x>
- Your loan tenure: **<xx> months**
- Standardised base rate (SBR)*: **<a>%**
- Interest rate: **Year 1-2 <aa>% p.a.**
  Thereafter SBR + <aa>% p.a.
- Effective interest rate: **Year 1-2 <aaa>% p.a.**
  Thereafter <aaa>% p.a.

In total you will pay **RM <xxx>** at the end of **<xx> years.**

It is your responsibility to:

Read and understand the **key terms** in the **letter of offer** and **terms and conditions** before you sign it.

Pay your monthly instalment timely and in full for **xx years**. Speak to us if you wish to settle your loan earlier.

Ensure you can afford to **pay a higher instalment** if OPR rises.

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

Fees and Charges:
For a full list of fees and charges, please visit our website www.hlb.com.my/loan1 or scan here.

Agensi Kaunseling dan Pengurusan Kredit (AKPK) has been established by Bank Negara Malaysia to provide free services on money management, credit counselling, financial education and debt restructuring for individuals.

*The SBR is set as the Overnight Policy Rate (OPR) decided by Bank Negara Malaysia. The SBR can rise or fall due to changes in the OPR.

3 Know Your Risks

What happen if you fail to pay your monthly instalments?

1. You **pay more in total** due to late payment charges of 1% p.a. on the amount in arrears and compounding of interest (if any).
2. We may **deduct** money from a savings/current account you have with us to set-off your loan balance.
3. We may **foreclose your property** or **take legal action** against you if you fail to respond to reminder notices given by the Bank and you will have to bear all the costs including any shortfall after your property has been sold.
4. Your **credit score** may be affected, leading to credit being more difficult or expensive to you.
5. We may **impose an additional interest rate** on your account if it's considered to be in default.

Your monthly instalment may increase during the tenure of your loan

The SBR may increase due to a rise in the OPR set by Bank Negara Malaysia. An increase in SBR means that you have to pay a **higher monthly instalment**.

Applicable to HLB Mortgage Overdraft only

Facility 1 – HLB Mortgage Overdraft

	Today (SBR=a%)	If SBR increases to <a+1>%	If SBR increases to <a+2>%
Monthly Interest Payment	On demand	On demand	On demand

Note:

- If you make a loan repayment via a standing instruction, you should change the instalment amount accordingly whenever there is a change to the SBR
- The Bank may change your monthly instalment amount if:
  - your payment does not cover the monthly interest; or
  - the amount you are paying towards the loan principal is less than 10% of your total payment; or
  - whenever a revision of your monthly instalment amount by the Bank or required by you; or
  - the amount you are paying is not able to fully pay off your loan by the maturity date.

4 Other Key Terms

- Lock-in period: None
- All residential property(ies) are required to take insurance or takaful coverage obtained under houseowner policy(ies), whilst commercial and vacant property(ies) to take insurance or takaful coverage under fire policy(ies).

If you have any questions or require assistance on your loan, you can:

Call us at:	Visit us at:	Email us at:	Scan the QR
+603-7626 8899	http://www.hlb.com.my/mg-loan	hlonline@hlbb.hongleong.com.my	for more information