

PRODUCT DISCLOSURE SHEET

HSBC Bank Malaysia Berhad

(Read this Product Disclosure Sheet before you decide to take out HomeSmart. Be sure to also read the terms in the letter of offer. Seek clarification from your institution if you do not understand any part of this document or the general terms)

< Name of HomeSmart Type >

Date : / /

(dd/mm/yyyy)

1. What is this product about?

This housing loan is calculated on a variable rate basis and you are pledging the house as a security for this loan.

2. What do I get from this product?

- Total amount borrowed: RM (% of house price)
- Tenure : years
- Base Rate (BR) : % per annum
- Interest rate:
 - Year 1-3: BR + % (ELR = %)
 - Year 4-5: BR + % (ELR = %)
 - Thereafter: BR + % (ELR = %)

**ELR = Effective Lending Rate*

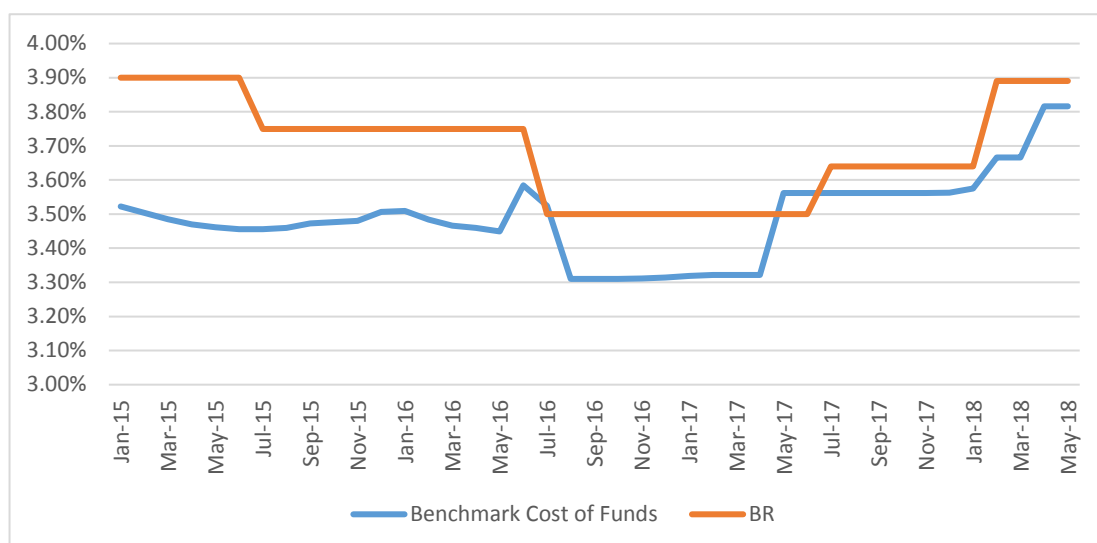
3. What is the Base Rate (BR)?

The BR we offer on this product is made up of two parts, our benchmark cost of funds (COF) and the Statutory Reserve Requirement (SRR) cost imposed by Bank Negara Malaysia. Our benchmark COF reflects the cost of raising deposits from Time Deposits and is based on external funding benchmark reference to 3 Month KLIBOR.

4. What are possible scenarios to trigger a change in the BR?

Our BR can rise or fall due to change in the benchmark COF and changes in the SRR. Changes in the benchmark COF could occur due to changes in the Overnight Policy Rate (OPR) as decided by the Monetary Policy Committee of Bank Negara Malaysia, as well as other factors such as changes in the Bank's funding strategy or cost of raising funds.

5. Historical benchmark COF in the last 3 years



6. What are my obligations?

- Your Monthly instalment :
 - Year 1-3: RM
 - Year 4-5: RM
 - Thereafter: RM
- Total repayment amount at the end of _____ years is RM

	Tenure of Facility	Today (BR= %)	If BR goes up 1%	If BR goes up 2%
Monthly instalment	_____ year(s) from the date of first disbursement or 3 months from the date of Letter of Offer, whichever is the earlier	RM	RM	RM
	_____ years	RM	RM	RM
	Thereafter	RM	RM	RM
Total interest cost that would have been paid at the end of _____ years		RM	RM	RM
Total repayment amount at the end of _____ years		RM	RM	RM

Important:

- Your monthly instalment and total repayment amount will vary if the BR changes.
- You can choose to pay more than the actual Monthly Instalment, and if you need to, the excess amount can be subsequently withdrawn subject to the available Facility Limit. While the excess amount is in the Facility account, it will benefit you by reducing the interest amount for that period.
- Pending commencement of the Monthly Instalment as provided in the table above, you are required to pay to the Bank interest payable calculated on the utilised portion of the Facility starting from one month from the first disbursement of the Facility or starting on such date as advised by the Bank in writing.

7. What other fees and charges do I have to pay?

a) Stamp Duties

As per the Stamp Act 1949 (Revised 1989).

b) Legal Fees and Disbursement Fees

- Legal fees (and applicable tax, if any).
- Disbursements including fees for registration of charge and other related charges.

c) Processing Fees

- Nil -

d) Monthly Service Fee

Monthly fee of RM10 (and applicable tax, if any) per month throughout the tenure of the loan.

e) Commitment Fee

Commitment fee of RM 40 per month will be charged if the average utilization rate (Average Outstanding Balance divided by Current Month Facility Limit) for the month is less than 50%. This fee will only be applied upon full disbursement of the housing loan and applicable for the period of 5 years from the full disbursement date.

8. What if I fail to fulfil my obligations?

- Late payment charges of 1% p.a. on the instalment amount in arrears, causing the total outstanding to increase.
- If you fail to pay your monthly instalment after 30 days from payment due date, we may increase the facility interest rate.
- We may set-off any credit balance in account maintained with us or HSBC Amanah Malaysia Berhad against any outstanding balance in this loan account.
- Legal action will be taken if you fail to respond to reminder notices. Your property may be foreclosed and you will have to bear all costs. You are also responsible to settle any shortfall after your property is sold.
- Legal action against you may affect your credit rating leading to the credit being more difficult or expensive to you.

9. What if I fully settle the loan during the lock-in period?

Lock-in period: months from the date of first disbursement of the Facility

Early termination fee: $\frac{2\% \times \text{Facility Amount} \times \text{Number of remaining months within the lock-in period}}{\text{Total lock-in period in months}}$

10. Do I need any insurance / takaful coverage?

You are to adequately insure the aforementioned property against fire, lightning, riot and strike, malicious damage, explosion and other relevant risks for the replacement cost, for so long as the facilities shall exist from a licensed and reputable insurance company with interest vested in this Bank as Chargee/Assignee.

11. What do I need to do if there are changes to my contact details?

It is important that you inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner.

12. What are the major risks?

If you have problems meeting your loan obligations, contact us early to discuss repayment alternatives.

If the repayment period extends beyond your retirement age, it is important for you to have a plan for your payment obligations during retirement.

13. Where can I get assistance and redress?

- If you have difficulties in making repayments, you should contact us earliest possible to discuss repayment alternatives. You may contact us at:

[HSBC Bank Malaysia Berhad](#)
Branch Address :

Tel :
Fax :
E-mail :

- Alternatively, you may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counselling, financial education and debt restructuring for individuals. You can contact AKPK at:

Tingkat 8, Maju Junction Mall
1001, Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : 1-800-88-2575
E-mail : enquiry@akpk.org.my

- If you wish to complaint on the products or services provided by us, you may contact us at:

[HSBC Bank Malaysia Berhad](#)
Branch Address :

Tel :
Fax :
E-mail :

- If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK or TELELINK at:

Block D, Bank Negara Malaysia
Jalan Dato' Onn
50480 Kuala Lumpur
Tel : 1-300-88-5465
Fax : 03-21741515
E-mail : bnmtelelink@bnm.gov.my

14. Where can I get further information?

Should you require additional information about taking a housing loan, please refer to the *bankinginfo* booklet on 'Housing Loans' available to all our branches and www.bankinginfo.com.my website.

15. Other housing loan / home financing packages available

- HomeSmart-i, home financing product offered by HSBC Amanah Malaysia Berhad
- Homemaker Loan
- Ideal Home Plan

IMPORTANT NOTE: YOUR HOUSE MAY BE FORECLOSED IF YOU DO NOT KEEP UP REPAYMENTS / PAYMENTS ON YOUR HOUSING LOAN

The information provided in this disclosure sheet is valid as at / / [\(dd/mm/yyyy\)](#).
