



ALLIANCE BANK

Mortgage Product Disclosure Sheet

PRODUCT DISCLOSURE SHEET	Name of Product: Mortgage Term Loan																																																																																																																		
Read this Product Disclosure Sheet before you decide to take up this Mortgage Term Loan . 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.	Date: August 2020																																																																																																																		
1. What is this product about?																																																																																																																			
This term loan is calculated on a variable rate basis and you are offering your house/property as a security for this financing.																																																																																																																			
2. What do I get from this product?																																																																																																																			
<ul style="list-style-type: none"> Margin of Financing (MOF) offered is up to 90%. Interest rate charge is pegged to the Base Rate ("BR"). The Effective Lending Rate ranges from BR + 0.54% to BR + 2.33%. Financing Tenure is up to 35 years or age 70 (whichever occurs first). <p>Example:</p> <p>Total Amount Borrowed : RM500,000 Tenure : 20 years Base Rate (BR) : 2.57% p.a. (subject to change) Effective Lending Rate : BR + 0.77% = 3.34%</p> <table border="1"> <tr> <td>Total interest cost at the end of 20 years</td> <td>RM186,127.00</td> </tr> <tr> <td>Total repayment amount at the end of 20 years</td> <td>RM686,127.00</td> </tr> </table> <p>Note: The monthly repayments will commence once the Mortgage Term Loan amount has been disbursed.</p>		Total interest cost at the end of 20 years	RM186,127.00	Total repayment amount at the end of 20 years	RM686,127.00																																																																																																														
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3. What is the Base Rate (BR)?																																																																																																																			
The Bank's BR comprises of our benchmark cost of funds ("COF") and the cost of Statutory Reserve Requirement (SRR) imposed by Bank Negara Malaysia ("BNM"). Our benchmark COF reflects our internal cost of funding new loans/financing, and it is based on the 3-month Kuala Lumpur Interbank Offer Rate ("KLIBOR") and the marginal cost of raising funds from new fixed deposits. The BR methodology is subject to periodic review.																																																																																																																			
4. What are possible scenarios to trigger a change in the BR?																																																																																																																			
Our BR can rise or fall due to changes 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 BNM, 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																																																																																																																			
<table border="1"> <caption>Historical benchmark COF and Base Rate Data (Estimated)</caption> <thead> <tr> <th>Month</th> <th>Base Rate (%)</th> <th>Benchmark COF (%)</th> </tr> </thead> <tbody> <tr><td>Jul-17</td><td>3.85</td><td>3.45</td></tr> <tr><td>Aug-17</td><td>3.85</td><td>3.45</td></tr> <tr><td>Sep-17</td><td>3.85</td><td>3.45</td></tr> <tr><td>Oct-17</td><td>3.85</td><td>3.45</td></tr> <tr><td>Nov-17</td><td>3.85</td><td>3.45</td></tr> <tr><td>Dec-17</td><td>3.85</td><td>3.45</td></tr> <tr><td>Jan-18</td><td>3.85</td><td>3.55</td></tr> <tr><td>Feb-18</td><td>4.00</td><td>3.65</td></tr> <tr><td>Mar-18</td><td>4.00</td><td>3.70</td></tr> <tr><td>Apr-18</td><td>4.00</td><td>3.70</td></tr> <tr><td>May-18</td><td>4.00</td><td>3.45</td></tr> <tr><td>Jun-18</td><td>4.00</td><td>3.45</td></tr> <tr><td>Jul-18</td><td>4.00</td><td>3.55</td></tr> <tr><td>Aug-18</td><td>4.00</td><td>3.55</td></tr> <tr><td>Sep-18</td><td>4.00</td><td>3.45</td></tr> <tr><td>Oct-18</td><td>4.00</td><td>3.55</td></tr> <tr><td>Nov-18</td><td>4.00</td><td>3.55</td></tr> <tr><td>Dec-18</td><td>4.00</td><td>3.55</td></tr> <tr><td>Jan-19</td><td>4.00</td><td>3.65</td></tr> <tr><td>Feb-19</td><td>4.00</td><td>3.60</td></tr> <tr><td>Mar-19</td><td>4.00</td><td>3.60</td></tr> <tr><td>Apr-19</td><td>4.00</td><td>3.60</td></tr> <tr><td>May-19</td><td>3.85</td><td>3.30</td></tr> <tr><td>Jun-19</td><td>3.85</td><td>3.45</td></tr> <tr><td>Jul-19</td><td>3.85</td><td>3.45</td></tr> <tr><td>Aug-19</td><td>3.85</td><td>3.45</td></tr> <tr><td>Sep-19</td><td>3.85</td><td>3.35</td></tr> <tr><td>Oct-19</td><td>3.85</td><td>3.35</td></tr> <tr><td>Nov-19</td><td>3.85</td><td>3.35</td></tr> <tr><td>Dec-19</td><td>3.85</td><td>3.35</td></tr> <tr><td>Jan-20</td><td>3.60</td><td>3.15</td></tr> <tr><td>Feb-20</td><td>3.55</td><td>3.10</td></tr> <tr><td>Mar-20</td><td>3.35</td><td>2.80</td></tr> <tr><td>Apr-20</td><td>3.35</td><td>2.85</td></tr> <tr><td>May-20</td><td>2.85</td><td>2.30</td></tr> <tr><td>Jun-20</td><td>2.80</td><td>2.30</td></tr> <tr><td>Jul-20</td><td>2.55</td><td>2.00</td></tr> </tbody> </table>		Month	Base Rate (%)	Benchmark COF (%)	Jul-17	3.85	3.45	Aug-17	3.85	3.45	Sep-17	3.85	3.45	Oct-17	3.85	3.45	Nov-17	3.85	3.45	Dec-17	3.85	3.45	Jan-18	3.85	3.55	Feb-18	4.00	3.65	Mar-18	4.00	3.70	Apr-18	4.00	3.70	May-18	4.00	3.45	Jun-18	4.00	3.45	Jul-18	4.00	3.55	Aug-18	4.00	3.55	Sep-18	4.00	3.45	Oct-18	4.00	3.55	Nov-18	4.00	3.55	Dec-18	4.00	3.55	Jan-19	4.00	3.65	Feb-19	4.00	3.60	Mar-19	4.00	3.60	Apr-19	4.00	3.60	May-19	3.85	3.30	Jun-19	3.85	3.45	Jul-19	3.85	3.45	Aug-19	3.85	3.45	Sep-19	3.85	3.35	Oct-19	3.85	3.35	Nov-19	3.85	3.35	Dec-19	3.85	3.35	Jan-20	3.60	3.15	Feb-20	3.55	3.10	Mar-20	3.35	2.80	Apr-20	3.35	2.85	May-20	2.85	2.30	Jun-20	2.80	2.30	Jul-20	2.55	2.00
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6. What are my obligations?

- For financing of property under construction, you will have to service the interest during the construction period. Interest shall be calculated based on the Effective Rate on the daily outstanding amount (or based on monthly rest where specified and applicable) and such interest to be payable monthly and shall be debited accordingly to your account at the end of each month.
- If the financing tenure extends into your retirement age, you must make the necessary arrangements to ensure that you can continue to repay the loan either through a savings plan or an endowment policy to be arranged for by yourself.
- In the event of any variation to the loan tenure and/or interest rate due to changes in the Base Rate (BR), the Bank reserves the right to vary the repayment amount accordingly.

Important: Your monthly instalment and total repayment amount will vary if the BR changes.

Example:

Rate	Today (BR = 2.57%)	If BR goes up 1%	If BR goes up 2%
Monthly Instalment	RM2,859.00	RM3,121.00	RM3,395.00
Total interest cost at the end of 20 years	RM186,127.00	RM248,855.00	RM314,659.00
Total repayment amount at the end of 20 years	RM686,127.00	RM748,855.00	RM814,659.00

7. What other charges do I have to pay?**a) Set-up Fee**

RM200.00 (one time-off) for Conventional Term Loan with Redrawal facility.

b) Withdrawal Fee

RM50.00 for every withdrawal of excess fund in Advance Payment for Conventional Term Loan with Redrawal facility.

c) Professional Legal Fee

Includes fee for preparation of the financing agreement, stamp duty (as per the Stamp Duty Act 1949 (Revised 1989)), and disbursement fee.

d) Valuation Fee

Valuation fee for preparing the formal valuation report (applicable for completed properties only).

Unless otherwise specified herein, the Bank's charges exclude any current taxes and future taxes that may be imposed, under the relevant legislation. Upon the effective date of implementation of any such taxes in the future and wherever applicable, the Bank will be entitled to recover such taxes from you.

8. How do I service my monthly instalment?

For your convenience, we recommend payment via the following methods:

- Interbank GIRO (IBG)/Instant Interbank Funds Transfer (IBFT) via ATM or Internet Banking.
- From your Alliance Current Account/Savings Account - Direct Debit via Alliance Online Banking or Standing Instruction (SI).

Alternatively, you may make payments over-the-counter or at the self-service kiosk, at any Alliance Bank branch.

Remark: Fees and charges may be imposed for cheque and cash payment in the future with prior notice.

9. What if I fail to fulfil my obligations?

- Late payment charge of 1% p.a. on the amount in arrears, will increase the total outstanding balance.
- Any instalment/interest payment amount that is overdue on the first (1st) of the month, including instalment/interest payment amount that is partially paid shall be deemed as arrears.
- The Bank shall be entitled to vary the Prescribed Rate which the variation shall not be more than 3.00% per annum above the Prescribed Rate or such other rate as the Bank may prescribe from time to time on the total balance outstanding of the loan, in the event that the account is in arrears for more than three (3) months or you have defaulted more than three (3) monthly instalments/interest payments ("Additional Interest Rate").
- The Additional Interest Rate is displayed in the Bank's website and you may refer to <https://www.alliancebank.com.my/> for the latest information.
- The interest rate shall be revised back to Prescribed Rate in the following month upon full settlement of the arrears.
- The Bank has the right to off-set any credit balances in your accounts maintained with the Bank against any outstanding balance in these financing accounts.
- 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 difficulty in obtaining any credit facility(ies) or it will be more expensive to you.

10. What if I fully settle the loan during the lock-in period?
<ul style="list-style-type: none"> Lock-in period: 3 years from the 1st disbursement date of the facility. Early termination fee: 2% on the approved loan amount.
11. Do I need any insurance coverage?
<p>Mortgage Reducing Term Assurance (MRTA)/Mortgage Level Term Assurance (MLTA) is optional. However, you are advised to take up the MRTA/MLTA to ensure that your next of kin is protected in the event of any unforeseen circumstances affecting yourself.</p> <p>Note: Fire Insurance coverage is compulsory.</p>
12. 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.
13. 10. Where can I get assistance and redress?
<ul style="list-style-type: none"> If you have difficulties in making repayments, you should contact us the earliest possible to discuss repayment alternatives. You may contact us at: Alliance Bank Malaysia Berhad, Consumer Collections, 2nd Floor, 3 Alliance, 3 Jalan SS15/2A, 47500 Subang Jaya, Selangor. Tel: 03-5516 9988 Fax: 03-5516 9399 Email: info@alliancefg.com 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 may also join the “Program Pengurusan Wang Anda” (POWER) offered by AKPK that promotes financial discipline and prudent financial management. For further information or to register, please contact AKPK at: Tingkat 8, Maju Junction Mall, 1001, Jalan Sultan Ismail, 50250 Kuala Lumpur. Tel: 03-2616 7766 Email: enquiry@akpk.org.my If you wish to complain on the products or services provided by us, you may contact us at: Alliance Bank Malaysia Berhad, Customer Care Unit, 7th Floor, Menara Multi Purpose, Capital Square, 8 Jalan Munshi Abdullah, 50100 Kuala Lumpur. Tel: 03-2600 1800 Fax: 03-2691 8229 Email: info@alliancefg.com 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: 03-2174 1515 Email: bnmtelelink@bnm.gov.my Alternatively, you may contact Ombudsman for Financial Services at: Level 14, Main Block, Menara Takaful Malaysia, No. 4, Jalan Sultan Sulaiman, 50000 Kuala Lumpur. Tel: 03-2272 2811 Fax: 03-2272 1577 Email: enquiry@ofs.org.my
14. Where can I get further information?
<p>For further details, please call our Customer Service Centre at 03-5516 9988 or visit any Alliance Bank branch.</p> <p>Should you require additional information on taking a housing loan, please refer to the banking info booklet on “Housing Loans”, available at all our branches or visit www.bankinginfo.com.my.</p>
15. Other loan packages available:
<ul style="list-style-type: none"> i-Wish Home Financing-i Overdraft Against Property
IMPORTANT NOTE: LEGAL ACTION MAY BE TAKEN AGAINST YOU AND/OR YOUR PROPERTY MAY BE FORECLOSED IF YOU DO NOT KEEP UP WITH THE PAYMENTS OF INSTALMENTS ON YOUR FINANCING.
The information provided in this disclosure sheet is valid as at August 2020.