



1. Housing Loan (HL)

PRODUCT DISCLOSURE SHEET

(Read this Product Disclosure Sheet before you decide to take out OCBC Home 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)

OCBC Bank (Malaysia) Berhad (“OCBC”)

Product : OCBC Home Loan

Date : 10 May 2023

1. What is this product about?

A credit facility to finance the purchase of residential properties for the purpose of owner-occupation or to refinance a loan with an existing financier. Repayment is by monthly instalments of such amount (of principal and interest calculated on daily rest basis) in such manner set out in the letter of offer. The monthly instalment may be revised from time to time with [21] days' advance notice.

There is no restriction on making extra payments i.e. anytime without notice or fee charged. This product also comes with a redraw facility where you can redraw from the amount prepaid, as often as you like.

2. What do I get from the product?

Illustration

- Loan Amount: RM 350,000.00 (90% of house price)
- Tenure: 30 years

<u>Subject</u>	SBR* (From 10 May 2023)
Reference Rate	• SBR* =3.00% p.a
Interest Rate	• SBR* + 1.70%** p.a
Effective Lending Rate	• 4.70% p.a
Monthly Instalment	• RM 1,816

*SBR means the Standardised Base Rate

**Spread : Includes credit and liquidity risk premiums, operating costs, and profit margin

*Note: The effective lending rate of 4.70% per annum (p.a.) is calculated as 3.00% + 1.70%** per annum, on the basis that the Standardised Base Rate remains constant at 3.00% per annum throughout the tenure. However, you should note that the Standardised Base Rate fluctuates from time to time, which will in turn affect the effective lending rate accordingly.*

3. What is the Standardised Base Rate (SBR)?

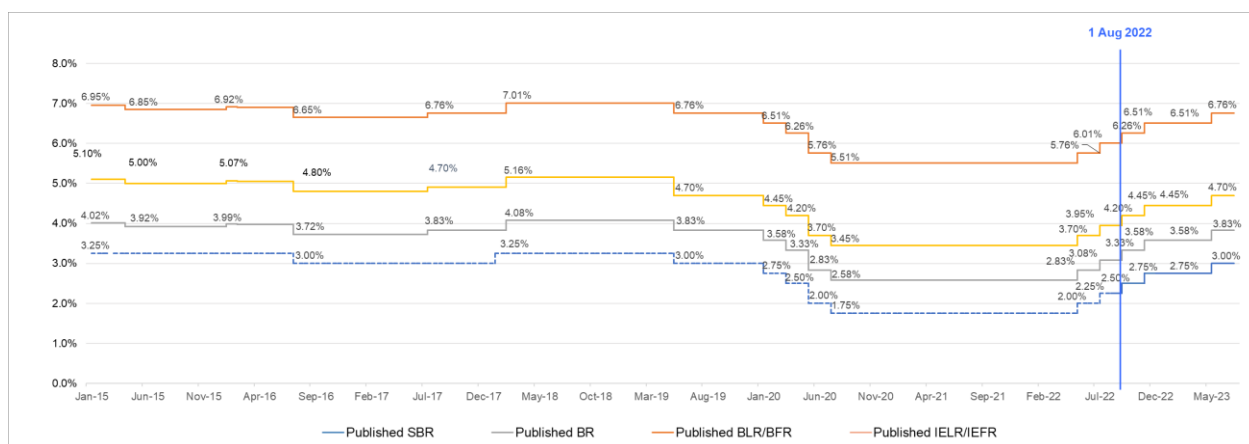
The SBR we offer on this product is based on the benchmark rate specified by Bank Negara Malaysia. The benchmark rate is currently set as the Overnight Policy Rate (OPR). Which reflects the monetary policy stance as decided by the Monetary Policy Committee of Bank Negara Malaysia.



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

The SBR can rise or fall due to changes in the benchmark rate, i.e. changes in the Overnight Policy Rate (OPR).

5. Historical SBR for the past 3 years



6. What are my obligations?

Illustration

- Your monthly instalment is **RM 1,816**
 - Total repayment amount (amount borrowed + interest) at the end of 30 years is **RM 653,484**
- Important:** Your monthly instalment and total repayment amount will vary if the SBR changes.

Rate	Today (SBR = 3.00%)	If SBR goes up by 1%	If SBR goes up by 2%
Monthly Instalment	RM 1,816	RM2,032	RM 2,259
Total interest cost at the end of 30 years	RM 303,484	RM 381,305	RM 463,051
Total repayment amount at the end of 30 years	RM 653,484	RM 731,305	RM 813,051

- As and when the SBR changes resulting in changes to the monthly instalment amount payable by you, Bank will give you no less than 7 calendar days' notice, on the revised monthly instalment amount which you shall pay.
- If you make loan repayment/financing payment via a standing order, you should change the instalment amount whenever there is a change to the SBR.
- For under construction property, you may opt to:
 - Service interest only during the construction period. The interest is calculated based on the latest progressive amount released, on daily rests; or
 - Pay monthly instalments of Principal + Interest.

If your loan tenure extends beyond your retirement age, you may need to prepare funds such as from EPF or savings, to service the loan payments. However, please be reminded that serving the loan beyond your retirement age might reduce your retirement funds and possibly disrupt your retirement plans.



7. What are the fees and charges I have to pay?

NOTE: The list of fees and charges below are payable by you, as the borrower(s) and the property owner(s), to third parties for their services or as required under the laws and regulations. The list is intended for general reference and may not be exhaustive. You should seek advice from the respective professionals for the particulars of the fees and charges.

Property

- **Stamp duties** to the Lembaga Hasil Dalam Negeri (LHDN), for the instruments for purchase and transfer of property to you as property owner(s), at the rates prescribed in the Stamp Act 1949
- **Legal fees** to lawyers for preparation of purchase and transfer documents and related services, at the rates prescribed in the Solicitors Remuneration Order
- **Registration or filing fees, search fees** to land office or high court, as the case may be, at the rates prescribed by the respective authorities and laws
- **Quit rent and assessment** to state and local authorities at the rates prescribed by the respective laws and regulations
- **Maintenance charges** to developer or management corporation for property under strata title, at the rates prescribed by the developer or management corporation or applicable laws and regulations
- **Perfection of transfer** if you purchase the property under master title, then in addition to above, you will need to pay the above fees and charges again upon issuance of the individual or strata title for your property, at such rates as may be prescribed by the respective parties
- **Valuation fees** to valuer to ascertain the value of your property, at the rates prescribed by the Board of Valuers, Appraisers and Estate Agents Malaysia
- **Disbursements** incurred for attending to above matters
- **Houseowner insurance premiums** to the insurance company, to insure your property from the risks set out in paragraph 10 below, at the premiums determined by the insurance company.

Loan

- **Stamp duties** to LHDN, for loan documents, at the rates prescribed in the Stamp Act 1949
- **Legal fees** to lawyers for preparation of loan documents and related services, at the rates prescribed in the Solicitors Remuneration Order
- **Registration or filing fees, search fees** to land office or high court, as the case may be, at the rates prescribed by the respective authorities and laws
- **Perfection of charge** if you purchase the property under master title, then in addition to above, you will need to pay the above fees and charges again upon issuance of the individual or strata title for your property, at such rates as may be prescribed by the respective parties
- **Disbursements** incurred for attending to above matters

IMPORTANT NOTICE : You need to pay the fees and charges above directly to the respective parties i.e. the lawyers, state and local authorities, developer or management corporation, valuer, etc. If you do not pay the fees and charges above, bank has rights under the loan documents to debit the fees and charges from your loan account and pay the fees and charges to the respective parties, which means that you will pay the loan interest rates on the fees and charges. To avoid incurring such additional interest, you should promptly pay the fees and charges.

Bank's fees and charges



For full list of fees and charges imposed by and payable to our bank, please visit our website <https://www.ocbc.com.my/personal-banking/fees-and-charges.html>

Subject to Government Taxes (if applicable)

Processing Fees

Nil

8. What if I fail to fulfil my obligations?

Late payment penalty : 1% on the instalment or sums payable

Right to set-off : We have the right with prior notice to set-off any credit balance in your account maintained with us against any outstanding balance in your 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 in payment after your property is sold.

Legal action against you may affect your credit rating leading to credit being more difficult or expensive to you.

9. What if I fully settle the loan before its maturity?

(i) No lock-in period

No penalty charged on early settlement.

(ii) With lock-in period

If any of the Facilities are fully redeemed/ settled within the holding period, you will pay the Bank an early termination fee. The early termination fee is calculated at [2%] of the Facilities limit which is the estimated of costs already incurred and/or to be incurred by the Bank as a direct result of your early termination. The early termination fee shall be part of the redemption or settlement sums payable by you to the Bank. Holding period is [] years commencing from the date of first disbursement of the Facilities.

10. Do I need any insurance /takaful coverage?

Mortgage Reducing Term Assurance (MRTA) - Optional

Houseowner insurance is required on the property to be charged as security to the bank for its full replacement value for as long as the Facilities remain outstanding. The bank shall be endorsed as chargee and loss payee of the insurance. You have the option to take the houseowner insurance from any non-panel insurer acceptable to the bank.

The Houseowner insurance covers the following:-

- (i) Fire, Lightning, Thunderbolt, Subterranean Fire
- (ii) Explosion
- (iii) Aircraft and other aerial devices and/or articles dropped therefrom
- (iv) Impact with any of the buildings by any road vehicles or animals not belonging to or under the control of the Insured or any member of his family
- (v) Bursting or overflowing of domestic water tanks, apparatus or pipes excluding:
 - In respect of each and every loss the amount stated in the schedule to the Houseowner policy



- Destruction or damage occurring while the private dwelling house is left untenanted
- (vi) Theft but only if accompanied by actual forcible and violent breaking into or out of a building or any attempt thereat PROVIDED that in the event of the Private Dwelling being left without an inhabitant therein for more than ninety (90) days whether consecutively or not in any one Period of Insurance the insurance against this Peril shall, unless otherwise agreed by endorsement hereon, be entirely suspended in respect of any period or periods during which the Private Dwelling may be unoccupied in excess of the aforesaid ninety (90) days.
- (vii) Hurricane, Cyclone, Typhoon, Windstorm subject to the following Excess Clause
- (viii) Earthquake, Volcanic Eruption subject to the following Excess Clause
- (vii) Flood but excluding loss or damage caused by subsidence or landslip; subject to the following Excess Clause.

Please refer to the insurer for further details of the Houseowner insurance.

It is your duty to ensure that the property charged to the bank is duly insured with an insurance company acceptable to the bank for the entire duration of the Facilities, The bank shall be entitled to purchase such insurance on your behalf by relying on the consent contained in the terms and conditions and agreement signed by you with the bank, and debit your account for the premiums payable for the insurance policy. If you purchase the insurance yourself, you must deliver to the bank the original insurance policy together with the receipt(s) for the premiums paid within 90 days from the date the loan is first disbursed, failing which the bank will not be able to cancel the insurance policy purchased on your behalf or refund the premium debited from your loan account.

11. Do I need a guarantor or collateral?

In addition to a charge over the property, OCBC Bank may require the housing loan to be guaranteed by one or more guarantor(s), depending on the circumstances.

Rights and obligations of a guarantor under a letter of guarantee in favour of OCBC Bank

Obligations

- (1) A guarantor's liability is up to the amount stated in the Schedule to the guarantee plus interest on the amount.
- (2) A guarantor is not released from liability by any of the following events :
 - (a) any increase, extension, restructuring or other variations to the loans or facilities between the bank and the borrower(s); or
 - (b) any compromise or indulgence or extension of time given to the borrower(s); or
 - (c) the bank never demands for payment from the borrower(s), or realize the collaterals given for the debts and liabilities; or
 - (d) the bank has discharged or released the borrower(s) or any collaterals.
- (3) The full extent of the guarantor's liability is found in the terms of the letter of guarantee.

Rights

- (1) A guarantor should seek his/her own independent legal advice before signing a guarantee.
- (2) A guarantor who has fully settled the borrower(s)' debts and liabilities with the bank may :
 - (a) claim from the borrower(s) for the payment he made to the bank; and/or
 - (b) if applicable, claim from the co-guarantor(s) for a portion of the payment made to the bank; and/or
 - (c) If the bank holds any collaterals for the loan, he will take over the collaterals and can enforce the collaterals for the loan.

The above rights are only available to the guarantor if he has fully settled the borrower's debts and liabilities.

- (3) A guarantor is entitled to information on the amount payable under the guarantee.

12. What are the major risks?



For packages with a combination of fixed rates and variable rates, the interest rate will be fixed during the fixed period tier and for subsequent years, the interest rate may change according to the changes in the reference rates.

The monthly instalment and the number of instalments are based on the interest rate at the time the Letter of Offer is issued and are subject to review and may be adjusted or varied from time to time by the Bank by giving prior written notice to you. The monthly instalment may be higher than the amount stated in the Letter of Offer if the Standardised base rate and/or the margin of interest increase during the tenure of the facilities. If the Standardised base rate and/or the margin of interest is/are revised, you shall pay such increased or reduced monthly instalments based on the new prescribed rate with effect from such date(s) as the Bank shall inform you.

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

13. What must I 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. To update us on your latest contact information, please call our OCBC Contact Centre at 03-8317 5000.

Please quote your loan account number when request for the change of your contact details.

14. Letter of Offer and Loan Documentation

You are required to accept the Letter of Offer within 2 weeks from the date of the Letter of Offer.

The solicitors will contact you within 2 weeks from your acceptance of the offer to execute the relevant security documents (if applicable). Any delay in your accepting the Letter of Offer or executing the security documents may result in delay in Loan disbursement. The Bank will not be liable for any late charges imposed by the developer/vendor for delay in Loan Disbursement.

If you do not hear from the solicitors, please contact them or us. Likewise, if we or the solicitors do not hear from you within 2 weeks from your acceptance of the offer, we will deem that you have chosen not to proceed with the loan.

Please refer to Appendix A (attached) for a list of the basic security documents which must be completed by our loan documentation lawyer and executed by the relevant parties, before delivering to us. This list is for general guidance only and not exhaustive. Additional documents may be required to be prepared and submitted depending on the circumstances.

Note: The customer is not obliged to utilise the Bank's panel of lawyers.

15. Valuation Requirements

The loan is subject to a full valuation of the internal and external of the property, if required.

16. 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:

OCBC Bank (Malaysia) Berhad

Menara OCBC
18 Jalan Tun Perak
50050 Kuala Lumpur
Malaysia

For enquiries , please contact us at : 03-8317 5000

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 : 03-2616 7766
E-mail : enquiry@akpk.org.my**

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

Customer Assurance Unit

OCBC Bank – Service Transformation
Menara OCBC
No. 18 Jalan Tun Perak
50050 Kuala Lumpur

Or email to myexperience@ocbc.com

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

Bank Negara Malaysia
P.O.Box 10922
50929

Tel: 1-300-88-5465 (1-300-88-LINK)
Overseas: 603-2174-1717
Operating Hours: 9.00 a.m. – 5.00 p.m. (Monday – Friday except public holiday)
Web form: telelink.bnm.gov.my

17. Where can I get further information?

“The POWER! Programme is a programme conducted by AKPK which aims to empower young and first-time borrowers with the knowledge to effectively manage their finances. To enrol, please call 1800-88-2575 or visit www.akpk.org.my for more information.”

18. Other housing loan packages available

- LVS (Legal, Valuation and Stamping Fees) financing



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

This information provided in this disclosure sheet is valid from 10 May 2023.

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