

# PRODUCT DISCLOSURE SHEET

Read this Product Disclosure Sheet before you decide to take out the Loan Facility below.

Be sure to also read the terms in the letter of offer.

Please do not hesitate to contact the Bank for clarification, if any.



中國銀行 马来西亚

BANK OF CHINA (MALAYSIA) BERHAD 200001008645(511251-V)

Please tick  the Loan Facility Products whichever is applicable:-

- Housing Loan (HL)
- Term Loan (TL)
- Flexi Housing Loan (FLX HL)
- Flexi Term Loan (FLX TL)
- First Time Home Buyer Housing Loan (FTHB HL)

Date:

## 1. What is this product about?

Housing Loan (HL) / Term Loan (TL)	This facility is calculated on a variable rate basis and you are offering your property as a security to the Bank.												
Flexi Housing Loan (FLX HL) / Flexi Term Loan (FLX TL)	<p>This facility is calculated on a variable rate basis and you are offering your property as a security to the Bank.</p> <p>It offers flexibility on deposit and withdrawal of the available balance from the flexi current account (FLX CA) at any time while enjoying loan interest savings by linking your FLX CA to the FLX HL / FLX TL account.</p> <p>The available balance held in the FLX CA at the end of each day will be utilized to set-off the FLX HL / FLX TL end day outstanding balance, subject to "interest offset limit", whichever is lower.</p> <p>Interest Offset Limit will be capped at 70% of the total loan outstanding balance.</p> <p>The Net Loan Balance will be charged at the effective interest rate of the loan.</p> <p>Illustration on Net Loan Balance for interest calculation:</p> <table border="1" data-bbox="630 1497 1459 1682"> <thead> <tr> <th>Loan Balance-end day (RM)</th> <th>Interest Offset Limit at 70% (RM)</th> <th>Current A/c Credit Balance-end day (RM)</th> <th>Net Loan Balance for interest calculation (RM)</th> </tr> </thead> <tbody> <tr> <td>1,000,000</td> <td>700,000</td> <td>550,000</td> <td>450,000</td> </tr> <tr> <td>1,000,000</td> <td>700,000</td> <td>900,000</td> <td>300,000</td> </tr> </tbody> </table> <p>^ Net Loan Balance is derived from the end day loan balance offset against interest offset limit or end day current account credit balance, whichever is lower.</p> <p>*Interest calculation formula:</p> $\frac{\text{Net Loan Balance} \times 1 \text{ day} \times \text{loan effective interest rate}}{365}$	Loan Balance-end day (RM)	Interest Offset Limit at 70% (RM)	Current A/c Credit Balance-end day (RM)	Net Loan Balance for interest calculation (RM)	1,000,000	700,000	550,000	450,000	1,000,000	700,000	900,000	300,000
Loan Balance-end day (RM)	Interest Offset Limit at 70% (RM)	Current A/c Credit Balance-end day (RM)	Net Loan Balance for interest calculation (RM)										
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<p>BOCM First Time Home Buyer Housing Loan (FTHB HL)</p>	<p>This facility is calculated on a variable rate basis and you are offering your property as a security to the Bank.</p> <p>This facility is granted to you subject to you fulfilling all the criteria under First Time Home Buyer Scheme set out by the Bank and/or Cagamas SRP Berhad.</p> <p>This scheme is open to all Malaysian citizen meeting the following criteria:</p> <ul style="list-style-type: none"> <li>• First time house buyer for the purpose of own occupation;</li> <li>• Gross monthly household income up to RM5,000;</li> <li>• Salaried worker or self-employed;</li> <li>• No record of impaired financing for the past 12 months; and</li> <li>• Single or joint applicants.</li> </ul> <p>You may choose the following repayment options:</p> <p>a) Upon full disbursement of the facility, to perform monthly repayment that consists principal and interest (P+I) over the entire loan tenure; or</p> <p>b) Upon full disbursement of the facility, to perform monthly repayment that consist only interest portion for 60 months of the loan tenure and subsequently perform equal amortization with monthly principal and interest (P+I) repayments for the remaining loan tenure.</p>
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**2. What do I get from this product?**

Total amount financed	:	RM _____ ( _____%) of property price)
Base Rate (BR)	:	[ _____ ]% per annum
Interest Rate	:	BR + [ _____ ]%
Effective Lending Rate	:	[ _____ ]%
Tenure	:	[ _____ ] years

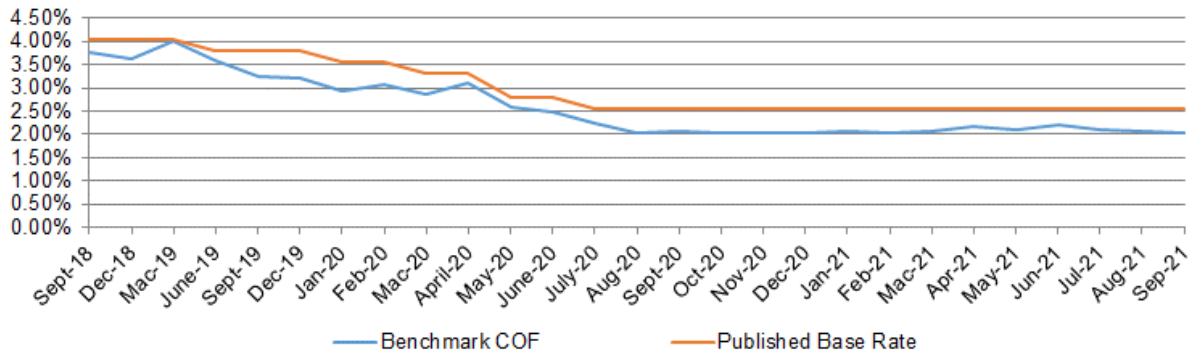
**3. What is Base Rate (BR)?**

The BR we offer on this product is made up of two (2) parts, our benchmark cost of funds (COF) and the Statutory Reserve Requirement (SRR) cost. Our benchmark COF reflects the cost of raising new funds and is based on weighted average of interest rate for all new MYR fixed deposits with tenure of more than 3 months.

**4. What are possible scenario to trigger a change in BR?**

Our BR can rise or fall due to change in the benchmark COF and change 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 is RM \_\_\_\_\_

Total Repayment Amount at the end of < \_\_\_\_\_ > years is RM \_\_\_\_\_

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

Rate	Today (BR = < _____ > % p.a)	If BR goes up 1%	If BR goes up 2%
Monthly instalment			
Total interest cost at the end of <Approved Financing Tenure _____> months			
Total repayment amount at the end of <Approved Financing Tenure _____> months			

#### **Applicable to First Time Home Buyer (FTHB) – Step up repayment only**

Rate	Today (BR = < _____ > % p.a.)	If BR goes up 1%	If BR goes up 2%
Month 1 to 60 with Monthly Interest Servicing from date of full disbursement			
Thereafter – Monthly repayment amount			
Total interest cost at the end of < Approved Financing Tenure > months			
Total repayment amount at the end of < Approved Financing Tenure > months			

**Note:**

- For property under construction, 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.

Illustration on interest payable is as below (the loan disbursement is based on the example that it is disburse on 1<sup>st</sup> October):-

Item	Details
1 <sup>st</sup> Drawdown Amount (RM)	10,000
Effective Lending Rate (%)	3.00
No. of Days from 1 <sup>st</sup> October – 31 <sup>st</sup> October	31
Interest Payable (RM)	RM10,000 * 3.00% * 31/365 = <b>RM25.50</b>

2. For completed property, commencement of the monthly instalment as provided in the table above, you are required to pay the Bank starting one month from the full disbursement of the Facility or starting on such date as advised by the Bank in writing.

**Applicable to First Time Home Buyer Housing Loan (FTHB HL)**

3. If you choose the First Time Home Buyer Housing Loan (FTHB HL) with step-up repayment, i.e. you will pay only the interest portion of your loan for another 5 years after full disbursement of the facility, please be informed of the following:-
- i. You have to pay higher total interest charges at the end of the loan tenure because you have chosen to service interest only for the first 5 years of the loan tenure.
  - ii. The principal outstanding balance of your loan will only begin to reduce once you start paying both principal and interest.
4. Completion of the online financial education course by Agensi Kaunseling dan Pengurusan Kredit (AKPK).
- Borrower(s) must furnish the proof of AKPK online course certificate at the point of loan/financing application. This is to assist potential borrower(s) understand their financial commitments prior to purchasing a home. The module can be assessed from AKPK's RumahKu portal at power.akpk.org.my Link: <https://power.akpk.org.my>
5. Under the Bank's FTHB Home Loan, no sale of property shall take place within the first five (5) years from the date of Letter of Offer. Prepayment or full settlement within the first five (5) years from the date of Letter of Offer is subject to prepayment fee of 2% on the prepayment amount.

**7. What other charges do I have to pay?**

Stamp Duties	As per the Stamp Act 1949 (Revised 1989)								
Setup Fees	<p>One-time fee charged for approved facility:</p> <table border="1"> <thead> <tr> <th>Loan Amount</th> <th>Fees &amp; Charges (if applicable)</th> </tr> </thead> <tbody> <tr> <td>Up to RM30,000</td> <td>RM50</td> </tr> <tr> <td>RM30,001 – RM100,000</td> <td>RM100</td> </tr> <tr> <td>RM100,000 and above</td> <td>RM200</td> </tr> </tbody> </table> <p><b><u>For BOCM First Time House Buyer Housing Loan (FTHB HL)</u></b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>	Loan Amount	Fees & Charges (if applicable)	Up to RM30,000	RM50	RM30,001 – RM100,000	RM100	RM100,000 and above	RM200
Loan Amount	Fees & Charges (if applicable)								
Up to RM30,000	RM50								
RM30,001 – RM100,000	RM100								
RM100,000 and above	RM200								
Monthly Maintenance Fees	A monthly maintenance fees of RM10.00 shall be charged to Flexi Housing Loan (FLX HL) / Flexi Term Loan (FLX TL) throughout the tenure of the Facility.								

## 8. What if I fail to fulfil my obligations?

- Late payment charges of 1.00% per annum on the amount in arrears, causing the total outstanding to increase.
- We may set-off any credit balance in account maintained with us 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 credit being more difficult or expensive to you.

## 9. Other terms & conditions

You may choose to use Bank's panel lawyers / insurers or your appointed lawyer / insurer for the purpose of the loan facility.

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

Prepayment or full settlement within the first <3> years from the date of first release of the loan is subject to prepayment fee of < 2.25%> on the prepayment amount.

### **For BOCM First Time Home Buyer Housing Loan (FTHB HL)**

Prepayment or full settlement within the first < 5 > years from the date of Letter of Offer is subject to prepayment fee of < 2%> on the prepayment amount.

## 11. Do I need any insurance coverage?

- Mortgage Reducing Term Assurance (MRTA) / Mortgage Level Term Assurance (MLTA) is optional but encouraged.
- You are to adequately insure the property charged / assigned to the Bank as security against all risk for its full value or replacement costs whichever is higher with an insurance company acceptable to the Bank.

*Note: The Bank will provide quotations to you upon request for any compulsory insurance offered by the Bank's own panel of insurers. However, you are free to use the service of other insurers.*

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

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

Please visit the nearest branches of the Bank to update your contact details.

## 13. Where can I get assistance and redress?

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

### **Bank of China (Malaysia) Berhad**

6<sup>th</sup> Floor, Plaza OSK  
25, Jalan Ampang  
50450 Kuala Lumpur  
Tel: 03-2387 8367 / 03-2387 8211  
Email: customerdesk@bankofchina.com.my

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 counseling, financing education and debt restructuring for individuals. You can contact AKPK at:

Level 5 & 6, Menara Bumiputra Commerce  
Jalan Raja Laut  
50450 Kuala Lumpur  
Tel: 03-2616 7766  
Email: enquiry@akpk.org.my

If you wish to complain on the product or services provided by us, you may contact our customer service center or write to us:

**Customer Service Center**

Tel: 603-2059 5566  
Fax: 603- 2161 5150  
Email: service.my@bankofchina.com.my

**Bank of China (Malaysia) Berhad**

5th Floor, Plaza OSK  
25, Jalan Ampang  
50450 Kuala Lumpur  
(Attention to: Compliance Department)

If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia through BNMLINK or BNMTELELINK 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](mailto:bnmtelelink@bnm.gov.my)

**14. Where can I get further information?**

- Should you require additional information about taking a housing / term loan, please refer to the banking info booklet on "Housing / Term Loans", available at all our Branches and the [www.bankinginfo.com.my](http://www.bankinginfo.com.my) website.
- Please contact us at: 603-2059 5566 (Customer Service) or log on to [www.bankofchina.com.my](http://www.bankofchina.com.my) to locate our nearest branch.

**15. Other Product Packages available**

- Overdraft Facility (OD) secured by Property
- Overdraft Facility (OD) secured by Fixed Deposit

**IMPORTANT NOTE:**

**YOUR PROPERTY MAY BE FORECLOSED IF YOU DO NOT KEEP UP REPAYMENTS / PAYMENTS ON YOUR HOME FINANCING.**

The information provided in this disclosure sheet is valid as at        /        /        (dd/mm/yyyy)

**Disclaimer:**

The terms and conditions indicated in this Product Disclosure Sheet are tentative / indicative and not binding on the Bank. The final and conditions are as stipulated in the letter of offer and Facility Agreement after credit assessment and loan approval.