

**FAQs: Instalment Revision for ASB Financing-i Accounts****Q1: Will my monthly instalment amount be revised?**

A1: Your financing monthly instalment will be revised if the quantum of change is RM 50 or more and meeting Bank's internal criteria for instalment revision. However, if the quantum of change is less than RM50, it will remain the same.

**Q2: Why did I receive a notice/SMS from the Bank advising me that my instalment amount will be revised to a lower amount starting 01/08/2020?**

A2: The Bank has adjusted the following reference rates effective as follows:

Reference Rates	12/5/2020	10/07/2020
Islamic Base Rate (IBR)	2.88% p.a.	2.63% p.a.
Islamic Financing Rate (IFR)	5.89% p.a.	5.64% p.a.
12-month Fixed Deposit-i Rate (FDR)	1.85% p.a.	1.60% p.a.

In line with these adjustments, the Bank have reviewed your ASB Financing-i account and revised your instalment effective from 01/08/2020.

**Q3: I have existing financing with Hong Leong Islamic Bank. Will the decrease in reference rates affect the profit rate of my financing account?**

A3: Yes. If your existing financing account is pegged to the reference rate, the profit rate of your account was also being revised.

**Q4: I noticed that my instalment amount has been revised. Why did I not receive the notification letter from the Bank to inform me on this instalment revision?**

A4: The notification letter on instalment revision was delivered to you by normal mail in July 2020 based on the correspondence address provided by you. If you have changed your correspondence address, you are advised to go to our nearest branch to update your correspondence address.

**Q5: How is my revised instalment calculated?**

A5: The revised instalment is calculated based on your financing outstanding balance, the remaining tenure and the current effective profit rate after the reference rates adjustment as at 30/06/2020. The Bank will only revise the instalment if the reduction in the monthly instalment is RM50 and more, account opt out and repayment received 3 times and more during Moratorium.

**Q6: I have several financing accounts with your Bank. Why did I receive only one notification letter from the Bank?**

A6: If you did not receive any notification letter for your other accounts, it means that your other accounts are excluded from instalment revision during this round and hence instalment adjustment is not required. We will continue to review all your accounts as and when an adjustment is required and notify you accordingly.

**Q7: There were 2 times of IBR /IFR reduction, why there is only 1 time revision of instalment?**

A7: For the reduction of IBR/IFR on May 2020, the bank had originally planned to revise your instalment amount on 1 Aug 2020. Since there was another revision of IBR/IFR in Jul 2020, therefore we combined both instalment revisions into one which it will take effective on 1 Aug 2020.

Please refer to the below illustration for better understanding:-

Financing outstanding balance : RM 350,000  
Remaining tenure : 20 years

	<b>Profit rate</b>	<b>Installment Amount</b>
As at 30 Apr 2020	4.25%	RM 2,168
As at 12 May 2020	3.75%	RM 2,076
As at 10 Jul 2020	3.50%	RM 2,030

The reduction of instalment amount is RM 138 (RM 2,168 – RM 2,030), more than RM 50. Monthly Installment amount will be revised from RM 2,168 to RM 2,030 on 1 Aug 2020.

**Q8: My revised instalment amount is lower than my old instalment amount. Can I opt to maintain my old monthly instalment amount?**

A8: Yes. You are required to fill up and sign a Service Request Form (SRF) to maintain the old instalment amount. You can submit the SRF at the nearest branch or our Contact Centre. However, we would like to bring to your attention that in the event of future instalment revision (whether upwards or downwards) due to change in the reference rates, this may again affect your old instalment amount maintained. Assuming it is a downwards revision and you still wish to maintain the old instalment amount; you will need to submit a fresh request to the Bank.

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