

PRODUCT DISCLOSURE SHEET

(Read this Product Disclosure Sheet before you decide to take up the Auto Financing-i Fixed Rate. Be sure to also read the general terms and conditions. Seek clarification from the Bank if you do not understand any part of this document or the general terms and conditions.)

**Auto Financing-i Fixed Rate**

Date :

1. What is this product about?

Auto Financing-i Fixed Rate is an Islamic Hire Purchase facility (the Facility), offered to you to part-finance the purchase of your desired vehicle. Upon your acceptance of the Facility, you will enter into an Islamic Hire Purchase agreement with the Bank where the Bank will lease the vehicle to you for an agreed period and rental (Instalment). Subsequently you will undertake to purchase and take ownership of the vehicle upon payment of final instalment. Profit on this Facility will be charged at a fixed rate per annum flat. Upon payment of final instalment, which comprises the sale price of RM1.00, the ownership of the vehicle will be transferred to you.

2. What is the Shariah concept applicable?

This product is based on Shariah Contract of Al-Ijarah Thumma Al-Bai' (AITAB). AITAB refers to a leasing which ends with the sale of the asset.

3. What do I get from this product?

- Total amount financed : RM _____ (_____ % of vehicle selling price)
- Tenure: [_____] months
- Profit rate : _____ % per annum flat
- Annual Percentage Rate _____ %

4. What are my obligations?

- Your monthly instalment is RM _____
- Total payment amount at the end of [_____] months is RM _____

5. What other charges do I have to pay?

Type of charges	Charges
Stamping of Hire Purchase-i Agreement	RM10
Stamping of Hire Purchase-i Guarantee Agreement	RM10 per guarantor
Registration of Ownership Claim	RM3 *

* Subject to Government Taxes, if applicable. For other charges you may log on to HLISB website www.hlisb.com.my. This exclude fees or charges payable to third parties to effect the ownership claim and transfer of owner's name of the vehicle.

6. What if I fail to fulfil my obligations?a) Compensation Charges

1. For default payment during facility tenure = up to 1% p.a. on the overdue instalment amount;
2. For default payment causing the facility to be terminated or brought to court = up to 1% p.a. on the outstanding balance (outstanding principal plus accrued profit);
3. For default payment after expiry of facility tenure = Islamic Interbank Money Market ("IIMM") rate on the outstanding balance (outstanding principal plus accrued profit); and
4. For default payment post judgment = IIMM rate on the basic judgment sum.

Note:

- (i) Compensation charges shall not be compounded and shall not be more than the outstanding principal.
- (ii) Compensation charges method and rate are subject to changes as may be prescribed by Bank Negara Malaysia.
- (iii) Compensation charges are computed on a daily basis from the payment due date/ maturity date/ judgment date

b) We will repossess the vehicle if there had been

- Two (2) successive defaults of payment and Fourth Schedule Notices issued on that defaults have expired; or
- Failure to pay the final instalment; or

- Four (4) successive defaults of payment by the next of kin in a case where the Hirer is deceased.

- c) All expenses incurred during the repossession will be charged to your Auto Financing-i Fixed Rate account.
- d) We may set-off any credit balance in your deposit account(s) maintained with us against any outstanding balance in this financing account. We will provide a seven (7) days prior notice to you before exercising this right.
- e) You are responsible to settle any shortfall after the vehicle is sold.
- f) Legal action will be taken if you fail to respond to reminder notices.
- g) Legal action against you may affect your credit rating leading to credit being more difficult or expensive to you.

7. What if I fully settle the financing before its maturity?

You will be entitled to a rebate, which is a refund of the mark-up charges for the unexpired tenure. The calculation is based on the formula stipulated in the Hire Purchase Act as follows;

$$R = TC \times \frac{n(n+1)}{N(N+1)} \text{ where,}$$

R	represents profit rebate
TC	represents total amount profit payable over leasing period
n	represents remaining leasing period expressed in months
N	represents original leasing period expressed in months

8. Do I need any takaful coverage?

You are required to keep the vehicle under a comprehensive takaful/insurance coverage throughout the hiring period.

*Note:

- You are encouraged to subscribe a comprehensive takaful protection.
- The cost of the takaful/insurance is not financed by the Bank and shall be borne by you, as part of the deposit paid to the dealer/seller.

9. 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 such as telephone number, mailing address and email address to ensure that all correspondences reach you in a timely manner. To update your correspondence details, please visit any of our Branches.

10. Where can I get assistance and redress?

<p>If you have difficulties in making payments, you should contact us earliest possible to discuss payment alternatives. You may contact us at :</p>	<p>Collection Centre Level 2, Tower A, PJ City Development, 15A, Jalan 219, Section 51A, 46100 Petaling Jaya Tel : 03-79523388 E-mail : HPCrControlDept@hlbb.hongleong.com.my</p>
<p>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 and debt restructuring for individuals. You can contact AKPK at :</p>	<p>Level 5 and 6, Menara Bumiputra Commerce, Jalan Raja Laut, 50350, Kuala Lumpur. Tel : 03- 26167766 Fax: 03-26167601 E-mail : enquiry@akpk.org.my</p>
<p>If you wish to complain on the products or services provided by us, you may contact us at :</p>	<p>Customer Advocacy Hong Leong Bank Berhad Level 13A Floor, Menara Hong Leong, No 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur. Tel : 03-76268801/03-76268802/03-76268812 E-mail: customerservice@hlbb.hongleong.com.my</p>
<p>If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK or TELELINK at :</p>	<p>Block D, Bank Negara Malaysia Jalan Dato' Onn 50480 Kuala Lumpur Tel : 1 300 88 5465 Fax : +603 2174 1515 E-mail : bnmtelelink@bnm.gov.my</p>

11. Where can I get further information?

Should you require additional information about taking a vehicle financing, please refer to the banking info booklet on 'Hire Purchase' available at all our branches or you can log on to HLISB website www.hlisb.com.my or www.bankinginfo.com.my.

12. Other Auto Financing-i Fixed Rate packages available

Nil.

**IMPORTANT NOTE: REPOSSESSION OF THE VEHICLE AND LEGAL ACTION WILL BE TAKEN IN THE EVENT OF DEFAULT
SUBJECT TO PROVISION UNDER THE HIRE PURCHASE ACT 1967**

The information provided in this disclosure sheet is valid as at / /