

PRODUCT DISCLOSURE SHEET
(Please read this Product Disclosure Sheet before you decide to take up the Hire Purchase Facility)



HIRE PURCHASE (HP) FACILITY
Date :

1. What is this product about?

Hire Purchase facility is provided for the financing of vehicle calculated on fixed or variable rate. The ownership of the vehicle remains with the Bank until full settlement of the facility. The operation of the Hire Purchase facility is governed by the Hire Purchase Act 1967. The tenure of the facility shall be up to a maximum period of 9 years only.

2. What is Base Lending Rate (BLR)

The Base Lending Rate (BLR) is a reference rate for floating-rate vehicle financing due to the requirements under the Hire Purchase Act 1967. The BLR is pegged to the Overnight Policy Rate (OPR) where it will be adjusted in tandem with the changes in the OPR as determined by Bank Negara Malaysia (BNM).

When there is a change to the OPR and your terms charges are at a variable rate in your hire-purchase agreement, the Bank is entitled to vary the BLR (or such other rate established by BNM) at any time and from time to time and will notify you in writing of such changes. You have the option to either:

- a) Retain the existing number of instalment and vary the amount of each instalment; or
- b) Retain the existing amount of each instalment and vary the number of instalment.

If there is an increase of BLR and you as the Hirer opts for option (b), you must inform the Bank of your option in writing and the Bank must receive the written notification from you (the Hirer) within twenty-one (21) calendar days from the date of the Bank's notification. If option (b) is applied to your Hire Purchase facility, your facility shall be classified as "rescheduled and restructured" and the same shall be reported to Central Credit Reference Information System (CCRIS) of BNM. Such classification will impact you as the Hirer as below: -

- BNM's CCRIS report will show that your Hire Purchase facility is rescheduled and restructured;
- extension/addition to the facility tenure; and
- increase in the total cost of facility.

The request to retain the existing amount of instalment can be made through;

- written request to the Auto Finance Centre (AFC); or
- email; or
- walk-in to the nearest Auto Finance Centre (AFC).

If the Bank did not receive the written notification from you within twenty-one (21) calendar days from the date of the Bank's notification, the Bank is entitled to maintain the existing number of instalment and vary the amount of each instalment.

3. What do I get from this product?

- (a) Amount financed : RM #FinancingAmount#
- (b) Tenure (repayment period): #tenure/12# years (#tenure# months)
- (c) Term charges :-
 - i. Fixed Rate #rate# % per annum
Annual Percentage Rate #APRRate# % per annum **OR**
 - ii. Variable Rate #effectiverate# % per annum

4. What are my obligations?

- (a) Fixed Rate
 - i. Your monthly instalment is RM #instalment# for a period of #tenure - 1# months and a final instalment of RM #finalinstalment#
 - ii. The total amount payable is RM #total payable#

- iii. My First Car Plan/ Accelerated Repayment(Payment) Package (ARP) - Your monthly instalment will be in the form of "Step-up" or "Step-down" which is based on the fixed tier payment. The fixed tier payment is based on what is being offered by the bank.

OR

(b) Variable Rate*

- i. Your monthly instalment is RM #instalment# for a period #tenure - 1# months and a final instalment of RM #finalinstalment#
 ii. The total amount payable is RM #total payable#

* For facility under Variable Rate the total repayment amount will vary if the Base Lending / Financing Rate (BLR/BFR) changes.

As the Hirer, you have the obligation to pay the instalments on time, inform the Bank (Owner) of any changes in your address and to continue to ensure that the vehicle financed is adequately insured.

5. What other charges do I have to pay?

Standard Fees	RM
Stamp Duty - without guarantor	20.00
Stamp Duty - with guarantor	60.00
e-Hakmilik charges	3.24
Postages- without guarantor	10.00
Postages- with guarantor	20.00

6. What if I fail to fulfill my obligations?

The consequences of failing to meet your monthly repayments include:-

Late Payment Penalty	<p>i. For Fixed Rate, late payment penalty of 8% p.a.* on the amount in arrears calculated daily will be charged.</p> <p>ii. For Variable Rate, late payment penalty of 2% plus prevailing rate (BLR ± spread) of terms charges will be charged.</p>
Right to Set-Off	The Bank reserves the right to set-off any credit balance in your savings/current account maintained with us against any outstanding balance in this Hire Purchase facility account by giving you seven (7) calendar days prior notice.
Legal Actions	<p>i. The Bank as the owner has the right to repossess the vehicle.</p> <p>ii. In addition, legal action may be taken against you to recover the amount outstanding under the Hire Purchase facility. This will affect your credit rating leading to credit being more difficult or expensive to you.</p>

a) Repossession will take place when there is:-

- (i) Two successive defaults of monthly rental instalments, OR
 (ii) Four successive defaults of monthly rental instalment by next of kin if the Hirer is a deceased.

b) Repossession Procedures

- (i) The Bank will issue a Notice of Intention to Repossess (pursuant to Section 16 (1) of the Hire Purchase Act 1967 (HP Act). This notice (commonly referred to as the 4th Schedule Notice) giving you as the Hirer 21 days ("Grace Period") to make good the instalment in arrears.
 (ii) If no payment is made within 14 days after the issuance of the 4th Schedule Notice, a notice pursuant to Rule 15 of the Hire Purchase (Application of Permit and Procedure of Repossession) Regulations 2011 will be issued, informing you of the intention of the Bank as the owner to take possession of the vehicle upon expiry of the 4th Schedule Notice.
 (iii) Upon expiry of Grace Period, the Bank may initiate repossession by issuing Repossession Order to the authorized Repossessors to take possession of the vehicle.

However, for cases where the total instalments paid by the hirer exceed 75% of the original cash price of the vehicle, the Bank will obtain a Court Order and thereafter proceed with paragraph 6 b) (i), (ii) and (iii) as above.

c) Repossessor's Action

- (i) The authorized Repossessor is a holder of permit issued by the Ministry of Domestic Trade and Cost of Living who will carry out repossession of the motor vehicle and will be equipped with the following documents:-

- Repossession Order issued by the Bank,
 - Court Order (if applicable) for repossession.
- (ii) In carrying out the repossession, the Repossessor must make available for inspection and verification the above documents, together with his Identification Card and Permit.
- (iii) The Repossessor must adhere to the guidelines and code of ethics as issued by the authorities, including those set up by the Association of Hire Purchase Companies, Malaysia (AHPCM).

Upon repossession, the Bank will issue a notice to redeem (also known as the 5th Schedule Notice) which gives you 21 days to do any of the following:-

- a. Pay all outstanding arrears and incidental expenses incurred by the Bank to make good the repossession of the vehicle (including repossession's fees, towage, storage, etc.), OR
- b. Pay in full the entire balance outstanding for the hire purchase facility, including incidental expenses incurred by the Bank (as above), OR
- c. Introduce a buyer to purchase the vehicle at the price indicated on the notice.

The Bank may sell/dispose the vehicle either by public auction or private sale in order to recover the amount due owing under the HP Agreement if hirer fail to meet the 21 days deadline on the 5th Schedule.

7. What are the major risks?

- Interest Rate
 - i. Fixed Rate

None. The interest rate of the Hire Purchase facility is fixed for the whole tenure and will not be affected by the change in the market rates.
 - ii. Variable Rate

The risk will be depending on the interest rate movement i.e. Base Lending Rate (BLR). An increase of BLR may result in higher monthly instalment or longer tenure of the facility (at option of the hirer). However, if there is a decrease in BLR, the monthly instalment or tenure (at option of the hirer) will be reduced as well.
- Default in Instalment and Repossession

Your vehicle may be repossessed and later disposed-off if you do not keep up with the repayment on your Hire Purchase facility. You are required to ensure prompt payment of your monthly instalment to avoid repossession of the motor vehicle.

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

You will be entitled to a rebate on the interest/profit unearned by Maybank for early settlement of facility under Fixed Rate only. The rebate is partial refund of the term charges (interest/profit) calculated according to a formula stipulated in the Hire Purchase Act 1967.

9. Do I need any insurance/ takaful coverage?

You are required to take up a comprehensive insurance coverage on the vehicle financed for the entire tenure of the Hire Purchase Facility and you are required to inform the Bank (Owner) on the renewal of the insurance/takaful policy within 14 days before the expiry of the policy.

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

It is important that you inform us of any changes in your contact details to ensure that all correspondence reach you in a timely manner.

11. Where can I get assistance and redress?

- If you have difficulties in making monthly payments, you should contact us earliest possible to discuss payment alternatives. You may contact us at :

Automobile Financing,
 Malayan Banking Bhd
 Dataran Maybank,
 No.1 Jalan Maarof
 59000 Kuala Lumpur
 Tel : 03-22972304
 Fax : 03-22972020

- 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.

Tingkat 1, Menara Aras Raya,
Jln Raja Laut, City Centre,
50350 Kuala Lumpur,
Wilayah Persekutuan Kuala Lumpur
Tel : 03-26167766
Website : <https://www.akpk.org.my/>

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

Bank Negara Malaysia
P.O. Box 10922
50929 Kuala Lumpur
Tel: 1-300-88-5465 (LINK)
Fax: 03-2174 1515

12. Where can I get further information

Should you require additional information about taking a Hire Purchase facility, please refer to the www.maybank2u.com.my website under Hire Purchase Financing or kindly visit nearest Maybank Auto Finance Centre.

I hereby confirm that I have read and understood the contents of this Product Disclosure Sheet

Signature : _____

Name : #ApplicantName#

The information in this disclosure sheet is valid as at: February 2025