

## HOME FINANCING PRODUCT DISCLOSURE SHEET

<p>Please read this Product Disclosure Sheet before you apply the facility. Be sure to read the general terms and conditions. Do seek clarification from us if you do not understand any part of general terms in the documents</p>	<p>Name of Bank:  Name of Product:  Date:  This information provided in the product disclosure sheet is valid as at _____ ( dd/mm/yy ) and it is valid until_____</p>
<p>1 . What is this product about?</p>	<p>Home financing is a term loan secured by property to be availed to salaried class person, self-employed, business owner payable in monthly instalments over a fixed period of time.</p> <p>There are 4 types of Home Financing . Front line sales representative will explain to customer the right category from the below listed type of Home Financing</p> <p><u>1) Home Ownership Loan</u></p> <ul style="list-style-type: none"> <li>• Purchase a residential/Apartment property for own occupancy.</li> <li>• Purchase of a piece of vacant land &amp; construct residential house</li> <li>• Construction of residential property on land owned by the customer</li> <li>• Purchase a residential property under construction/to be constructed from developer or estate agent.</li> </ul> <p><u>2) Home Refinancing Loan</u></p> <ul style="list-style-type: none"> <li>• Refinancing existing home and other loans</li> <li>• Improvement/Renovation to existing house already owned by customer supported by structural plan</li> </ul> <p><u>3) Home Equity Release Loan</u></p> <ul style="list-style-type: none"> <li>• Equity Release Loan to individual for credit facilities against property charged and subject to available equity in the property charged or to be charged to Baiduri Bank Bhd</li> <li>• Common reasons for equity loan include debts consolidation; investment and educational purposes</li> </ul> <p><u>4) Property Investment Loan</u></p> <ul style="list-style-type: none"> <li>• Investment in residential or commercial property to capitalized on current favorable property prices for future capital gain and lor rental income</li> </ul>

<p>2. What Do I get from this Product?</p>	<ul style="list-style-type: none"> <li>• Total Loan Amount</li> <li>• Loan Tenure</li> <li>• Interest rate (effective interest rate)</li> </ul>
<p>3. What are my obligations?</p>	<ul style="list-style-type: none"> <li>• Assignment of salary to Baiduri Bank</li> <li>• If it is a joint loan, both borrower's salary to be assigned to Baiduri Bank</li> <li>• Monthly installment amount</li> <li>• Total repayment amount</li> <li>• Total interest payment payable</li> <li>• Upfront fees eg: professional fees; MRTA for the borrower; Fire insurance for the house; valuation cost</li> <li>• If under joint loan, the contribution of MRTA for both borrowers.</li> </ul>
<p>4. Does my monthly repayment vary thought my loan tenure?</p>	<p>There are 2 types of loan repayment methods:-</p> <p>Monthly Reducing</p> <ul style="list-style-type: none"> <li>- For this option, the repayment amount is reduced every month. The positive side of this method is that you will save interest payment compared to amotization repayment method. The negative side of this repayment method is that the beginning repayment amount starts very high that may affect your financial plans. This method of repayment normally opted by business owners</li> </ul> <p>Amortization</p> <ul style="list-style-type: none"> <li>- For this option, the repayment amount is equal/same amount throughout the entire loan period. The interest is calculated based on the principal loan outstanding amount. The positive side of this repayment method is that the beginning repayment amount is not as high compared to monthly reducing method repayment . The negative part of this repayment method is that total interest payment is higher compared to monthly reducing repayment method. This method is normally opted by salaried employee.</li> </ul>

<p>5. What are the fees and charges that I have to pay?</p>	<ul style="list-style-type: none"> <li>• Application processing Fee</li> <li>• Professional legal fees</li> <li>• stamp duty fee for MOT</li> <li>• Mortgage Reducing Term Loan (MRTA) for the borrower. Equal share of contribution for joint borrowers, (one off)</li> <li>• Annual fire insurance</li> <li>• Cost of valuation fee (one off)</li> </ul> <p>The above cost/fees ( startup cost) is allowed to capitalize into the loan amount spread over the loan tenure period. Re-valuation fee is applicable for delinquent account and the fees is borne by customer. Amount varies depends on the size of the property.</p>
<p>6. What if I fail to fulfill my obligations?</p>	<ul style="list-style-type: none"> <li>• It is advisable that customer come in to the bank to discuss for further plan (e.g.: lower repayment; longer tenure etc.)</li> <li>• There will be late payment charges \$30.- for sending letter of advice informing loan in arrears.</li> <li>• Penalty interest rate on arrears principal amount interest</li> <li>• For loan repayment not paid over 90 days, legal action will be taken</li> <li>• The final stage will then be foreclosure of property to set off the outstanding loan balance</li> </ul>
<p>7. What if I fully settle the loan during the lock in period?</p>	<ul style="list-style-type: none"> <li>• A penalty between 3-5% x the total loan outstanding amount will be levied.</li> <li>• In addition, depending on the period, <ul style="list-style-type: none"> <li>○ Between 1<sup>st</sup> - 3<sup>rd</sup> year of loan repayment, 5% for early full loan settlement (e.g.: outstanding loan balance is \$200,000, the penalty is calculated as \$200,000 x 5% = \$10,000)</li> <li>○ After 3<sup>rd</sup> year of loan repayment, 3% for early full loan settlement (e.g.: outstanding loan balance \$200,000 x 3% = 6,000)</li> </ul> </li> <li>• You may wish to approach our staff to assist in calculating the loan balance.</li> </ul>
<p>8. Do need a guarantor or collateral?</p>	<ul style="list-style-type: none"> <li>• No guarantor is required,</li> <li>• Property that pledged to the bank is the collateral for the credit facility</li> </ul>

<p>9. What are the key terms and conditions that I should know?</p>	<ul style="list-style-type: none"> <li>• Individual aged between 21 and 60 years of age for TAP employees</li> <li>• Individual aged between 21 and 55 years of age for Pension employees Brunei citizen or Permanent Resident</li> <li>• Minimum monthly net salary of BNDI ,500</li> <li>• Joint borrowing with combined income not less than BND2,500</li> <li>• Full-time government employee (fixed salary) for at least one (1) year with current employer</li> <li>• At least one (1) year in operation for self employed</li> </ul>
<p>10. What are the documents that I need to submit to apply for Mortgage Loan</p>	<ul style="list-style-type: none"> <li>• Original copy of Identification Card</li> <li>• Latest copy of salary slip</li> <li>• Bank statements with other banking institutions</li> <li>• Business Registration for self employed</li> <li>• Copy of House Plan</li> <li>• Copy of Title Deed</li> </ul>
<p>11. Do I need insurance coverage?</p>	<p>Yes - Two (2) insurances required for Housing Loan package</p> <ul style="list-style-type: none"> <li>• Mortgage Term Reducing Assurance (MRTA). It is an insurance that provides financial protection for the customer and their families in the event of death or total permanent disability (TPD). An example of TPD is loss of both limbs/eyes of which the insured is unable to continue working. This insurance premium is one-off payment which covers the entire loan period. No renewal of insurance is required.</li> <li>• Fire Insurance. It is a property insurance that covers damage and losses caused by fire. It helps to cover the cost of replacement/reconstruction of property. The coverage is renewable on annual basis by bank unless specified by customer.</li> </ul>
<p>12. What are the major risks, if any?</p>	<p><u>Risk of no insurance coverage:-</u></p> <ol style="list-style-type: none"> <li>1) In the absence of MRTA coverage, any mishap happened to the customer, the family members are to continue loan repayment until it is fully repaid. If the loan repayment is unlikely to repay, the house would then be foreclosed by the bank to off-set the loan outstanding amount.</li> <li>2) Similarly, fire insurance coverage is compulsory to protect the house from damage and losses caused by fire.</li> </ol>
<p>13. What do I need to do if there are changes to my contact details?</p>	<p>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.</p>
<p>14. Where can I get assistance and redress?</p>	<p>If you have difficulties, you must contact us the earliest possible. You may contact us at</p>

	<p>Bank: Baiduri Bank Bhd  Address:  Telephone:2268300 – Ext: 8441/8442/8444 Retail Loan Section  Fax . 2454193  Email:  winnie.ang@baiduri.com.bn</p> <p>If your query or complaint is not satisfactory resolved by us, you may contact Financial Consumer Issues, Autoriti Monetari Brunei Darussalam via email at <a href="mailto:fci@ambd.gov.bn">fci@ambd.gov.bn</a> or walk-in to their address as follow:</p> <p>Level 7, Financial Consumer Issues  Autoriti Monetari Brunei Darussalam  Ministry of Finance and Economy Building  Commonwealth Drive  Bandar Seri Begawan.  Tel: 238007</p>
<p>15. Where can I get further information?</p>	<ul style="list-style-type: none"> <li>• Baiduri Bank website <a href="http://www.baiduri.com.bn">www.baiduri.com.bn</a></li> <li>• 24 hours Baiduri Call Centre +6732449666</li> </ul>
<p>16. Other similar loan facilities/products available?</p>	<ul style="list-style-type: none"> <li>• Pls refer to Page 1 - What is this product about.</li> </ul>

**IMPORTANT NOTE:**  
LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU FAIL TO PAY YOUR  
INSTALMENTS IN THE MANNER STIPULATED IN THE LOAN AGREEMENT  
CONTRACT BETWEEN YOURSELF AND THE BANK

The terms and conditions indicated in this Product Disclosure Sheet are indicative and not binding on Baiduri Bank Bhd. The final terms and conditions are as stipulated the Banking Facility Letter (Loan Agreement contract ) after the bank's assessment and financing approval.