

UOBM: FREQUENTLY ASKED QUESTIONS (FAQ) ON REVISION OF MONTHLY INSTALMENT DUE TO REPRICING OF THE FINANCING FACILITY:

Q1 : What default interest/variation profit rate are being charged by your Bank?

A1 :

| Default Stage | Default Interest/Variation Profit Rate | | |
|-----------------------------|--|--|-------------------------------|
| | Conventional Loans | | Islamic Financing |
| | BLR | BR | BFR |
| 30dpd and Monitoring Period | PR + 1.50% p.a. 12 months | | EPR + 1.00% p.a. 24 months |
| 60dpd | BLR + 2.25% | BR + 5.21% p.a. (The effective interest rate is equivalent to absolute rate of BLR + 2.25% p.a. at point of default) | EPR + 3.00% p.a. |
| 90dpd | BLR + 3.50% | BR + 6.46% p.a. (The effective interest rate is equivalent to absolute rate of BLR + 3.50% p.a. at point of default) | EPR + 3.50% p.a. |

Note:

- PR : Prescribed Rate
- BLR : Base Lending Rate (Current BLR w.e.f. 15/5/2019 is 6.82%)
- BR : Base Rate (Current BR w.e.f. 15/5/2019 is 3.86%)
- EPR : Effective Profit Rate
- BFR : Base Financing Rate (Current BFR w.e.f. 15/5/2019 is 3.86%)
- dpd : Days Past Due
- p.a. : per annum

Q2 : What is monitoring period?

A2 : Monitoring period is the period whereby account is placed under observation with interest/profit rate charged at prescribed rate + 1.50% (for Conventional Loans) and effective profit rate + 1.00% (for Islamic Financing) upon regularization of the account.

Example for Conventional Loans:

Account that has defaulted in payment for 30dpd / 60dpd / 90dpd / NPL and upon full regularization of the account to current status, the interest rate of the account will be revised to prescribed rate + 1.50% for the next 12 months. Interest rate will be reverted to the prescribed interest rate upon account full regularization with prompt payments consecutively for 12 months subject to no event of default during the said period.

Example for Islamic Financing:

Account that has defaulted in payment for 30dpd / 60dpd / 90dpd / NPL and upon full regularization of the account to current status, the profit rate of the account will be at effective profit rate + 1.00% for the next 24 months. Profit rate will be reverted to your effective profit rate upon account regularization with prompt payments consecutively for 24 months subject to no event of default during the said period.

- Q3** : What should I do for the interest/profit rate of my account to be revised back to my prescribed interest rate/effective profit rate?
- A3** : Profit/Interest rate will be reverted to your prescribed interest rate/effective profit rate upon account regularization with prompt payments consecutively for 12/24 months subject to no event of default during the said period.
- Q4** : Based on what reasons the Bank revises my interest rate/profit rate?
- A4** : Credit deterioration of the account which changes your risk profile will trigger a review of your account and such review may result in the revision of your interest rate/profit rate.
- Q5** : Was I informed prior to the interest/profit rate revision?
- A5** : The Bank has sent reminder notices to you when your account defaulted in payment 21 days prior to the interest/profit rate revision.
- Q6** : Why is my instalment being revised although the difference in instalment is RM50 and lesser?
- A6** : Under the recent revised guideline by regulatory, all Financial Institutions are required to revise the instalment amount regardless the changes in the instalment amount if the changes is due to repricing of the interest/profit rate.
- Q7** : What happens if I failed to pay the revise instalment amount?
- A7** : If you failed to pay the revise instalment amount promptly, you:
- (a) will not be able to settle in full your loan within the original loan tenure;
 - (b) may be required to pay a lump sum amount in excess of the revised monthly instalment upon maturity of the loan; and
 - (c) will incur additional cost of financing.
- Q8** : What should I do if I can't afford to pay the revised instalment amount?
- A8** : Please do not hesitate to contact our Loans Service Centres or your account branch for assistance.
- Q9** : Can I appeal for the Bank to revise back to my prescribed interest rate/effective profit rate?
- A9** : Yes. If your account is under the 30dpd default stage, you may write in to appeal and the Bank will give due consideration based on justification provided by you. Please contact our Loan Support Centres or your account branch for assistance.

If your account is under the 60dpd/90dpd/NPL default stage, please contact our Retail Collection Centre for assistance at Tel No. 03-2783 2109.

- Q10** : How can I find out what is my current prescribed interest rate/profit rate?
- A10** : You may assess your Loan Account/Financing Account via internet banking or alternatively, you may contact our Loans Service Centres below:

Pudu Loan Service Centre : 03-9221 0068
USJ Taipan Loan Service Centre : 03-5565 2060
Klang Loan Service Centre : 03-3361 2000
Puchong Loan Service Centre : 03-8062 0021

or your account branch for assistance. Please visit our website at www.uob.com.my for the contact numbers of our branches.