

Key Facts Statement (KFS) for Residential Mortgage Loan

Premium Mortgage Instalment Loan

This product is a Residential Mortgage Loan.

This KFS provides you with indicative information about interest, fees and charges of this product but please refer to our facility letter for the final terms of your premium mortgage instalment loan.

Interest Rates and Interest Charges

Annualised Interest Rate^a	For a loan amount of HK\$3,000,000	
	Loan Tenor	30 years
	Annualised interest rate based on the Bank's Best Lending Rate (BLR)	Interest is to be charged at a minimum of Prime Rate -2.75%
	Annualised interest rate based on the Bank's 1-month HIBOR	Not applicable

Annualised Overdue Interest Rate	4% p.a. over Prime Rate on the overdue amount, calculated on daily and simple interest basis, with a minimum charge of HK\$100
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Monthly Repayment Amount

Monthly Repayment Amount^b	For a loan amount of HK\$3,000,000	
	Loan Tenor	30 years
	Monthly repayment amount for the annualised interest rate based on the Bank's BLR above	HK\$11,857
	Monthly repayment amount for the annualised interest rates based on the Bank's 1-month HIBOR	Not applicable

Fees and Charges

Handling Fee	For application: Waived For amendment of Loan Repayment Method / Instalment Amount / Terms: HK\$1,000 per item
Late Payment Fee and Charge	HK\$400 (excluding the handling fee for failed auto-pay due to insufficient funds in account) for each overdue repayment
Prepayment / Early Settlement / Redemption Fee	Partial prepayment: HK\$1,000 per request Early Full Prepayment ^c : From 1% to 3% on loan amount for the 1 st year

Additional Information

1. Premium Mortgage Instalment Loan (The Loan) is a deposit-linked mortgage instalment loan for customer to enjoy a preferential deposit interest rate at the same rate as the mortgage interest

rate.

2. The Loan is not applicable to any properties under a housing scheme (e.g. Home Ownership Scheme, Tenants Purchase Scheme, Mortgage Insurance Programme, etc)
3. The minimum loan amount is HK\$1,000,000.
4. The repayment account of the Loan must be a Checking Account under the name of the borrower(s) opened at the branch handling the application of the Loan.
5. The preferential deposit interest rate is only applicable to the funds in a designated Checking Account maintained with the Bank by borrower(s) for repayment of the mortgage loan. The total deposit amount applicable for the preferential deposit interest rate is up to the limit of (i) any credit balance up to an amount equal to 50% of the daily outstanding principal amount of the Loan or (ii) HK\$5,000,000, whichever is lower, until the Loan is fully repaid.
6. The preferential deposit interest is to be accrued on daily basis but payable monthly in arrears to the credit of the designated Checking Account on 21st (or next clearing day if it is a holiday) of each and every calendar month.
7. The preferential deposit interest will not be paid for the month which the repayment of the loan is overdue, notwithstanding the overdue amount is repaid subsequently.
8. The loan is to be repaid by instalments each inclusive of interest commencing one month after the draw-down date.
9. The basis of a 365-day year is used for the calculation of loan interest for Hong Kong Dollars, Sterling Pounds and Singapore Dollars, while for other currencies, the basis of a 360-day is used.
10. The basis for the calculation of interest in leap years is the same as that in ordinary years.
11. Applicants are required to indicate their acceptance of the facility(ies) by signing and returning the duplicate of Facility Letter duly signed by them and the relevant party(ies), if any, within 14 days from the date of the letter, failing which the offer in the Facility Letter will lapse unless otherwise agreed to by the Bank. A cancellation fee of HK\$3,000 will be charged if the applicant cancels the loan after acceptance of Facility Letter.
12. The Bank, at any time, may demand immediate payment of the instalment loan in full, together with all accrued interest, fees and charges in connection with the instalment loan.
13. In the event of default, the Bank may, at any time without prior notice, combine or consolidate all or any of accounts held by borrower solely or jointly with other person(s)/company(ies) and set off any credit balance in any such accounts against the actual or contingent liabilities due to the Bank whether joint or several, present or future, actual or contingent and primary or collateral.
14. Applicants have the right to employ separate solicitors to represent themselves, but solicitors that are not on the Bank's approved solicitor list would be subject to the approval of the Bank and is at the Bank's sole discretion. If separate solicitors are employed, applicants will have to provide indemnity to the Bank and to pay for the legal expense of both the solicitor who represents themselves and the solicitor who represents the Bank.
15. Applicants can employ insurers (provided that the insurers are the member companies of The Hong Kong Federation of Insurers) to insure the properties against fire or other serious damage. A master fire insurance policy may also be accepted by the Bank. The fire insurance policy must include "MORTGAGEE" clause; the "REMOVAL OF DEBRIS" clause and the "PROFESSIONAL FEES" clause with each of the last two clauses covering 5% of the total sum insured. The

insured amount shall be agreed by applicants and the Bank including, for example, the option of selecting the original loan amount or the current loan amount or the reinstatement cost of the property determined by the Bank from time to time or other amount, etc. All fees and costs so incurred will be borne by the applicants. If the fire insurance policy is arranged by the applicants, the Bank will charge an administrative fee of HK\$350 per policy per annum.

Notes:

- a. Annualised interest rate is quoted for reference only and the actual interest rate is determined on a case-by-case basis.
- b. The calculation of Monthly Repayment Amount is based on the Bank's HKD Prime Rate of 5.25% p.a. as at 5 November 2019. You may also contact our branch staff for the latest Prime Rate of the Bank.
- c. Fee for early full prepayment is quoted for reference only and the actual fee is determined on a case-by-case basis.

In case of any discrepancy between the Chinese and English versions, the English version shall prevail.

To borrow or not to borrow? Borrow only if you can repay!