

Alliance Bank Auto Balance Conversion Programme

Terms and Conditions



ALLIANCE BANK

“Auto Balance Conversion Programme” Terms and Conditions

Auto Balance Conversion Programme

1. The Alliance Bank Auto Balance Conversion Programme (“Programme”) is organised by Alliance Bank Malaysia Berhad (“ABMB”)
2. The Alliance Bank Auto Balance Conversion Programme (“Programme”) made available to Cardholders who satisfy the conditions in Clause 4 below (“Eligible Cardholders”) is subject to these terms and conditions.
3. The Programme allows Cardholders to repay their outstanding Credit Card balances by instalments over 36 months at an effective interest rate (“EIR”) of 13% per annum subject to the Cardholder meeting the eligibility criteria as stated in Clause 4.

Eligibility Criteria

4. Cardholders are required to meet the following criteria in order to be eligible to participate in this programme:
 - i. Cardholder must be a Malaysian having an annual income of not exceeding RM60,000 (as per the latest verified income in ABMB record);
 - ii. Cardholder’s average payment ratio for the previous 12 months does not exceed 10% (i.e. for the past 12 months he has made an average repayment of 10% or less of his outstanding balances);
 - iii. Cardholder is a consistent revolver over the past 12 months (i.e. the Cardholder has not made any full payment of his statement balance over the past 12 months); and
 - iv. Cardholder’s card account is current and not delinquent.

Enrolment to the Programme

5. A Cardholder will be assessed by ABMB on his on his credit card payment due date plus 4 calendar days. If a Cardholder is assessed to be an Eligible Cardholder, ABMB will send him a short message service (“SMS”), notifying him of his enrolment to the Programme. Unless the Cardholder chooses to opt out, ABMB will automatically convert the outstanding balances of the Cardholder Credit Card account into a 36-month installment at effective interest rate of 13% per annum.
6. Enrolled Eligible Cardholders may opt out from the Programme by contacting ABMB Contact Centre at 03-55169988.

Outstanding Balances Eligible for Conversion

7. The total outstanding balance as at the Credit Card payment due date excluding balances due under any other ABMB instalment programme is eligible for conversion as long as the minimum balance of the account is RM1000

Conversion of Balances

8. Upon the Programme becoming effective, the outstanding Credit Card balance (“Conversion Amount”) will be automatically converted to a term loan and payable in 36 monthly instalments at effective interest rate of 36 months.
9. Although the Eligible Cardholder is enrolled into the Programme, if in the month the conversion is intended to take effect, the outstanding statement balance is less than Ringgit Malaysia One Thousand (RM1,000), the conversion

will not happen and re-assessment will take place the following month and the conversion will only take place if the outstanding statement balance is at least Ringgit Malaysia One Thousand (RM1, 000).

10. For the Cardholder who is already participating in the Programme, the Bank will only assess the Cardholder's eligibility for further automatic enrolment into the Programme 12 months after the last assessment has taken place. If upon re-assessment the Cardholder is determined to be an Eligible Cardholder, the Eligible Cardholder will be automatically enrolled into the Programme again in respect of the new outstanding balances which satisfies the conditions set out in Clause 7 above and the same will also be payable by way of 36 monthly instalments.
11. The Eligible Cardholder will receive an SMS upon successful conversion which will also advise the Cardholder of the Conversion Amount. If no SMS is received by Cardholder, then no conversion has taken place and it is deemed that ABMB has not implemented the Programme for the Cardholder.
12. The Conversion Amount payable by fixed monthly instalments during the Conversion Tenure covers the principal portion and interest portion of the monthly instalment payable ("Conversion Monthly Payment") will be reflected in Eligible Cardholder's credit card account ("Account") statement. The Conversion Monthly Payment is calculated in the manner stipulated in ABMB's Product Disclosure Sheet issued for this Programme.
13. The Eligible Cardholder has a 30 days cooling-off period after implementation of the conversion to cancel a conversion in respect of a first-time conversion.
14. If the Eligible Cardholder chooses to cancel their first time conversion, the Conversion Amount will be reversed back into their Account and the usual applicable finance charges will be chargeable as if the conversion did not take place.
15. The Conversion Monthly Payment will be billed to the Eligible Cardholder's Account commencing on the immediate next statement of account date following the Programme having been implemented for the Eligible Cardholder.
16. The Conversion Monthly Payment forms part of the Eligible Cardholder's minimum payment due and will be reflected in the Eligible Cardholder's Statement. The Conversion Monthly Payment shall be payable in full on or before the payment due date. If the Conversion Monthly Payment is not paid in full by the payment due date of each month, a late payment charge as stipulated in ABMB's Product Disclosure Sheet issued for this Programme will be charged after the payment due date and such late payment charge shall be payable in full on the next payment due date stated in the Statement. The late payment charge is imposed by way of liquidated damages and not as a penalty and shall be payable before, as well as after any court order or judgment.
17. In the event there is a dispute in respect of the transactions which forms part of the Conversion Amount, the Conversion Amount will remain the same and any refunds made to the Eligible Cardholder pursuant to the disputed transaction will be credited to the Eligible Cardholder's Account and treated by ABMB as an advance payment
18. The Conversion Monthly Payment amount is fixed. Any pre-payment or excess payment will not reduce the outstanding principal amount or the subsequent Conversion Monthly Payment and will only be treated by ABMB as advance payment.

Finance Charges

19. ABMB shall impose finance charges at the rate stipulated in ABMB's Product Disclosure Sheet issued for this Programme on any unpaid monies due and remaining unpaid to ABMB under the Programme after its relevant due date calculated on a daily balance basis and capitalized on each payment due date stated in the Statement. The said finance charges will be charged to the Cardholder's Account and calculated from the posting date in the Statement until the full payment is received. Such finance charges accrued shall be payable in full on the next payment due date stated in the Statement.

Credit Limit

20. The Conversion Amount is taken from the total available credit limit for all the Eligible Cardholders' ABMB Credit Card account(s), including his/her supplementary Credit Card account(s) and any monies owing thereunder will

reduce the Eligible Cardholder's available Credit Card limit. The Eligible Cardholders' available Credit Card limit will be restored progressively by the amount of the principal portion of each Conversion Monthly Payment repaid

Timeless Bonus Points & Rebates

21. Transactions effected under this Programme will **not** be eligible for any bonus points or cash rebates.

Early settlement

22. The Cardholder may make an early settlement of the outstanding balances under the Programme before the expiry of the Conversion Tenure by contacting ABMB's Contact Centre at 03-55169988 and giving ABMB thirty (30) days' notice of its intention of early settlement. In making the early settlement the Cardholder must repay ABMB the total outstanding balance of the Conversion Amount (i.e. monthly instalments due including the total principal amount, interest, late charges and finance charges) owed under the Cardholder's Account.

Right to Decide and Reject

23. ABMB's decision on all matters relating to the Programme including but not limited to the eligibility of the Cardholder and/or approval and/or rejection of the conversion for the Programme shall be final and binding on all the Cardholders unless there is manifest error.

24. If the Cardholder is enrolled into the Programme but ABMB subsequently discovers that the Cardholder was not eligible or has breached any of these terms and conditions or any of the Card Terms and Conditions or does not have enough credit limit under the Account, ABMB reserves the right to revoke the conversion and cancel the Cardholder's enrolment for the Programme and the Conversion Amount will be reversed back into their Account and the usual applicable finance charges will be chargeable.

Event of Default

25. If the Cardholder fails to make his Conversion Monthly Payments for three (3) consecutive months regardless of whether an event of default has occurred, ABMB shall be entitled at its discretion at any time to terminate the Programme made available to the Cardholder, whereupon the total principal amount of the Conversion Amount owing together with the applicable finance charges, accrued interests, late payment charges and the balance of all other monies due and owing under the Cardholder's Account will be due and payable immediately, which ABMB will be entitled to demand from the Cardholder in full.

26. Without prejudice to Clause 25, if the Cardholder is in breach of any terms and/or conditions of the Card Terms and Conditions or these terms and conditions or in the event of termination of the Card for whatsoever reason, all monies due and owing under the Programme comprising of the total principal amount of the Conversion Amount owing together with the applicable finance charges, accrued interests and late payment charges will immediately become due and payable by the Cardholder.

General Terms and Conditions

27. By participating in this programme, Cardholders are deemed to have read, understood and unequivocally accepted and agreed to be bound by these Terms and Conditions including any amendments or variations to it and unequivocally accept the same in its entirety. These Programme Terms and Conditions and ABMB's decision on all matters relating to this Programme shall be final and binding on all the Cardholders and no correspondences and/or appeal in respect thereof shall be entertained.

28. Any matters which are not covered under these programme Terms and Conditions shall be solely determined by ABMB.

29. Terms and Conditions of this programme shall be supplemental to the existing terms and conditions governing the Cardholders' Credit Card and banking accounts maintained with ABMB ("the Existing Terms").

30. ABMB shall not be responsible for any technical failures of any kind, whatsoever intervention, interruption, electronic error and/or any failure or delay in the transmission of evidence of transactions by Visa/Mastercard Worldwide, merchant establishments, postal or telecommunication authorities or any other party which may affect Cardholders' eligibility during the programme.
31. The Eligible Cards and accounts of the Eligible Cardholders must at all times (i) be valid, in good credit standing and not be in breach of any terms of this Programme Terms and Conditions or the Existing Terms; and (ii) not be terminated or closed or be made subject to any attachment, adverse orders made by Court or any authorities sanctioned by laws, delinquent and/or invalid or cancelled as may be determined by ABMB in order to be eligible for the Programme.
32. ABMB reserves the right at its discretion to vary, amend, delete or add to any of these terms and conditions herein at any time by giving the Cardholder twenty-one (21) days prior notice and the duly amended terms and conditions shall become effective on such date as ABMB may determine and specify in the notice. At ABMB's discretion, notification of the Amendment or any other communication or notice to the Cardholder may be effected by any one of the means of communication as set in the Card Terms and Conditions.
33. ABMB shall not be responsible nor shall accept any liabilities of whatsoever nature howsoever arising or suffered by Cardholders resulting directly or indirectly from this Programme. ABMB shall not be liable or held responsible to Cardholders in any manner whatsoever if ABMB is unable to perform any of its obligations under this Programme directly or indirectly due to any force majeure event which include but not limited to any act of God, war, strike, riot, industrial dispute, lockout, fire, drought, flood, storm or any event beyond the reasonable control of ABMB.
34. Eligible Cardholders shall be personally responsible for all taxes, rates, government fees or any other charges that may be levied against them under applicable laws, if any, in relation to this Programme.