



NOTICE NO. AMBD/R/32/2013/1

MAXIMUM FINANCING RATE FOR NEW AND USED MOTOR VEHICLES (EXCLUDING MOTORCYCLES)

1. This Notice is issued pursuant to section 32 of the Autoriti Monetari Brunei Darussalam Order, 2010 and section 24(1) of the Finance Companies Act, Chapter 89 and shall apply to all finance companies in Brunei Darussalam.

2. This Notice shall take effect on 6th March 2013 (effective date).

3. For the purposes of this Notice-

“Default Record” means a record of default of more than 90 days over a duration of 12 months immediately preceding the date of application for the financing facility; and

“Effective Interest Rate/Annualised Profit Rate” means the interest/profit rate calculated in accordance with Notice No. AMBD/R/32/2012/1 on Credit (Financing) Facilities issued pursuant to section 32 of the Autoriti Monetari Brunei Darussalam Order, 2010 dated 27th July 2012;

4. The maximum flat rate and the equivalent Effective Interest Rate/Annualised Profit Rate for different tenors of motor vehicle financing shall be as follows:-

4.1. New Motor Vehicle:

Flat Rate Per Annum	Effective Interest Rates/Annualised Profit Rates						
	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years
4.25%	7.75%	7.96%	7.96%	7.92%	7.86%	7.79%	7.72%

4.2. Used Motor Vehicle:

Flat Rate Per Annum	Effective Interest Rates/Annualised Profit Rates						
	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years
4.75%	8.66%	8.87%	8.86%	8.80%	8.73%	8.64%	8.55%



5. The above rates shall not apply to the financing of motorcycles.
6. These rates may not apply to motor vehicle financing granted to borrowers who have a Default Record.
7. Finance companies shall ensure that:-
 - 7.1. the borrower meets the basic criteria for sound creditworthiness; and
 - 7.2. the borrower's motor vehicle financing would not lead to his/her financial imprudence.
8. All relevant contracts signed on or after the effective date of this Notice shall be made to comply with these new Effective Interest Rates/Annualised Profit Rates.

**MANAGING DIRECTOR
AUTORITI MONETARI BRUNEI DARUSSALAM**

Date: 24 Rabiulakhir 1434 / 7 March 2013