

## PRODUCT DISCLOSURE SHEET

Please read this Product Disclosure Sheet before you decide to take up this product. Be sure to read the general terms and conditions.

## Bank Guarantee-i (Kafalah)

Date : \_\_\_\_\_

### 1 What is this product about?

Bank Guarantee (BG-i) is a shariah compliant guarantee or written undertaking given by the Bank on your behalf to the beneficiary ensuring that your liability/ obligations under the terms of guarantee will be met.

### 2 What is the Shariah concept applicable?

The Shariah concept applicable is Kafalah which refers to a contract where the guarantor conjoins the guaranteed party in assuming the latter's specified liability.

The Bank as guarantor shall issue BG-i to the third party on behalf of the company which signifies a guarantee for the implementation of specified project.

### 3 What do I get from this product?

- Bank Guarantee-i allows you to participate in business activities where your counterpart requires such guarantee.
- It is generally have an expiry date and claims period. All Bank Guarantee-i issued must be specific as to the amount and period of liability including claims period.

### 4 What are my financial obligations?

- Your obligation is to fulfill the beneficiary's requirement as specified in your agreement and payment of Kafalah fee.
- You shall be responsible and liable to indemnify the Bank as the guarantor against all obligations imposed for which the Bank Guarantee-i is subject to. Hence you will need to pay the bank the full guarantee amount should there be a claim from the beneficiary, in accordance to the terms and conditions of the BG-i facility.

### 5 What are the fees and charges do I have to pay?

The fees and charges for this product as follows:

Item	Details of Fees/Charges
Stamp Duty	As per Stamp Duty Act 1949 (revised 1989)
Kafalah Fee	Up to 1.50% per annum on the guarantee sum subject to a minimum of RM50.
Letter of Support	RM50 (Waived for micro enterprises customers)

### 6 What if I fail to fulfill my obligations?

- The Bank shall be entitled to impose and demand from you late payment compensation by way of Ta'widh (compensation charges) for the following:
  - a) Default payment(s) during Facility tenure:  
1% p.a. on overdue amount.
  - b) Default payment of any outstanding balance after maturity of the facility:  
BNM Islamic Interbank Money Market ("IIMM") rate on the outstanding balance (outstanding principal plus accrued profit);  
*Note: i. Compensation charges shall not be compounded;*  
*ii. Compensation charges methodology and rate are subject to changes as may be prescribed by BNM;*  
*iii. Compensation charges is computed on a daily basis*
- The Bank has the right to set-off any credit balance in your account maintained with us against any outstanding balance in this financing account, however, it would be made known to you.
- The Bank reserves the right to take legal action and all costs incurred will be borne by you. This legal action will have an effect on your credit rating and may lead to difficulties in your future financing applications.

### 7 Do I need any guarantor or collateral?

The bank will evaluate this requirement and advise you on this before we offer the Bank Guarantee-i facility.

### 8 What are the major risks?

Should you fail to fulfil the obligations with the Beneficiary and upon claim by the Beneficiary, the Bank will proceed to honour the guarantee by making payment and debiting your account and/or may liquidate your collateral.

### 9 What do I need to do if there are changes to my contact details?

- It is important that you inform us of any change in your contact details to ensure that all correspondence reaches you in a timely manner.
- Please contact 03-2096 3000 or visit the bank's nearest branch to update the change(s)

### 10 Where can I get assistance and redress?

- If you wish to complain on the products or services provided by us, you may contact us at :

Customer Relationship Management 7th Floor, Wisma MBSB, 48, Jalan Dungun, Damansara Heights, 50490 Kuala Lumpur Phone : 03 - 2096 3000 e-mail : enquiry@mbsb.com.my
--

- If your query or complaint is not satisfactorily resolved by us, you may contact:

Bank Negara Malaysia LINK or TELELINK Block D, Bank Negara Malaysia, Jalan Dato' Onn, 50480 Kuala Lumpur. Phone : 1-300-88-5465 Fax : +603-2174 1515 e-mail : bnmtelink@bnm.gov.my
---

### 11 Where can I get further information?

- Should you require additional information on the product, please visit our website at [www.mbsb.com.my](http://www.mbsb.com.my) or alternatively call your respective Relationship Manager.

### 12 Other facilities available?

- |                         |                          |
|-------------------------|--------------------------|
| a) Revolving Credit-i   | c) Term Financing-i      |
| b) Bridging Financing-i | d) Equipment Financing-i |

### IMPORTANT NOTE :

**LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU FAIL TO SERVICE YOUR PAYMENTS OF THIS FACILITY**

The information provided in this disclosure sheet is valid as at : \_\_\_\_\_ 21 May 2018