

## PRODUCT DISCLOSURE SHEET

Read this Product Disclosure Sheet before you decide to take up this product. Be sure to read the general terms and conditions. Seek clarification from your institution if you do not understand any part of this document or the general terms.

### Personal Financing-i Raya 2021 Campaign

Payment Plan : \_\_\_\_\_  
Product Type : \_\_\_\_\_  
Date : \_\_\_\_\_

#### 1 What is this product about?

This is an unsecured Islamic personal financing offered to individuals. The profit is calculated based on variable rate and monthly rest basis. This Product Disclosure Sheet must be read together with the PF-i Raya 2021 Campaign Terms & Conditions which is accessible via MBSB Bank's website.

#### 2 What is the Shariah concept applicable?

This Personal Financing-i product is based on the concept of **Tawarruq**, whereby:

- i. The Customer, via the application form, will execute Purchase Request and Promise to Buy (Wa'd) for the commodity from the Bank at Selling Price based on **Murabahah** consisting the cost price of the Commodity and disclosed profit margin. At the same time, Customer also appoints the Bank as an agent (**Wakalah**) to sell the Commodity to third party commodity trader.
- ii. Upon approval of the application, the Bank will offer the Facility via short message system ("SMS"). Upon receiving Customer's reply to accept the Facility via SMS, the Bank will purchase the Commodity (tele-communication airtime) at cost price which is equivalent to the Purchase Price/ Financing Amount.
- iii. Upon transfer of ownership of the Commodity to the Bank, the Bank will then sell the Commodity to the Customer at the Selling Price based on Murabahah which will be payable by the Customer to the Bank by way of instalment or deferred payment basis. The Customer will buy the same Commodity at the Selling Price. The Murabahah sale transaction is concluded via SMS.
- iv. Upon completion of item ii and iii above, the Bank, acting as the Customer's agent will sell the Commodity to the third party commodity trader at the cost price of the Commodity which is equivalent to the Purchase Price. The proceeds from the sale of the Commodity will be credited into the Customer's account during disbursement of the Facility.

#### 3 What is the Base Rate (BR)?

Base Rate ("BR") is the reference rate used as the basis for pricing retail financing facilities. The BR is determined based on the Bank's average Cost of Funds ("COF") plus the Statutory Reserve Requirement ("SRR") cost imposed by Bank Negara Malaysia.

#### 4 What are possible scenarios to trigger a change in the BR?

Our BR can rise or fall due to changes in the benchmark COF and changes in the SRR. Changes in the benchmark COF could occur due to the changes in the Overnight Policy Rate (OPR) as decided by the Monetary Policy Committee of Bank Negara Malaysia, as well as other factors such as changes in the cost of funds used to fund floating rate financing. The Bank will give you written notice (which also includes via electronic means) within seven (7) business days from the date of such changes taking effect.

Example:

If the cost of customer deposit rises, the COF will rise as customer deposits is part of the components used to fund floating rate financing. The higher COF will trigger a rate increase in the BR.

#### 5 Historical benchmark COF in the last 3 years

Please refer to [www.mbsbbank.com](http://www.mbsbbank.com) (under Base Rate/ Base Financing Rate) for the latest historical data.

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

- Financing Amount : \_\_\_\_\_
- Financing Tenure : \_\_\_\_\_ years
- Profit Rate : BR \_\_\_\_\_ p.a.
- Effective Profit Rate : \_\_\_\_\_ p.a.
- Ceiling Profit Rate : \_\_\_\_\_ p.a.
- Selling Price : \_\_\_\_\_
- Selling Price : \_\_\_\_\_
- \*Current BR is \_\_\_\_\_

Cash Back Amount (for Cash Back Payment Plan only) : RM \_\_\_\_\_

Note:

(1) Total Cash Back amount is equivalent up to 50% of the 1st year instalment payments. The quantum will be calculated and credited based on the 1st instalment amount upon disbursement of the facility.

(2) For internal overlap cases, the cash back amount will be subject to the full settlement of the Bank's existing PF-i financing.

#### 7 What are my financial obligations?

- Monthly payments  
first \_\_\_\_\_ months : \_\_\_\_\_ and  
final month : \_\_\_\_\_

- The amount of selling price you must pay is: RM \_\_\_\_\_

- If applicable, rebate will be granted based on the difference between the Ceiling Profit Rate and the Effective Profit Rate and as long as the Effective Profit Rate is lower than the Ceiling Profit Rate.

Important: In the event of change in BR, your monthly instalment may change accordingly. However, the total payment amount should not exceed the Selling Price. Any such changes in the amount of monthly instalment will be notified by the Bank to the customer by giving seven (7) days' prior written notice (which also includes via electronic means) before the changes will take effect.

Rate	Current BR =	If BR goes up by 1% =	If BR goes up by 2% =
Monthly Instalments	RM	RM	RM
Total profit charged at the end of [ 3 ] years	RM	RM	RM
Total payment amount at the end of [ 3 ] years	RM	RM	RM

Note:

- The Bank will provide you with particulars of the revised monthly instalment amount by giving at least seven (7) days' written notice (which also includes via electronic means) prior to the revised monthly instalment date comes into effect.
- Financing calculator is available in the Bank's website for the Customer's reference. All calculations are estimations, based on an indicative profit rate.

#### 8 What other fees and charges do I have to pay?

- Wakalah fee : \_\_\_\_\_ (subject to SST of 6% and/or other applicable taxes)
- Takaful contribution : \_\_\_\_\_
- Product bundling (if any)  
Product Name : \_\_\_\_\_  
Amount : \_\_\_\_\_

#### 9 Does the Bank require advance payment?

Yes, the Bank requires advance payment depending on the respective Personal Financing-i packages applied.

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

- During the Facility tenure: Late Payment Compensation (Ta'widh) will be charged at 1% p.a. on such overdue amount under the Facility or such other method or rate as will be stipulated by the Shariah Advisory Committee of the Bank from time to time. This Late Payment Compensation (Ta'widh) will not be compounded.
- After the maturity of the Facility: Late Payment Compensation (Ta'widh) will be charged at a rate that will not exceed the prevailing daily overnight Islamic Interbank Money Market rate (IIMM) on the outstanding balance.
- The Bank may set-off any credit balance in your account maintained with the Bank against any outstanding balance in this financing account by giving seven (7) days' written notice (which also includes via electronic means) prior to the set-off.
- The Bank may take legal action and all costs incurred will be borne by the Customer. This legal action will have an effect on your credit rating and may lead to difficulties in your future financing applications.

#### 11 Do I need any Takaful coverage?

The Group Credit Family Takaful (GCFT) coverage is compulsory under this Campaign. GCFT will protect you as it will cover the outstanding amount in circumstances of death or total permanent disability. Takaful coverage is required to be taken from the Bank's panel of Takaful providers or other Takaful providers of your choice approved by the Bank. The contribution amount will be deducted upfront from the financing amount. The Bank also offers other optional Banca Takaful products that will be applicable through product bundling packages. The Banca Takaful products may also be subject to renewal.

#### 12 If there is any excess payment arising from settlement or closure of my financing account, will I get a refund?

Yes, you will. However, if the refund amount is RM5 and below, your consent to waive your rights to a refund and subsequently authorise the Bank to donate the said amount to charitable organisations will be obtained via the Bank's application form.

#### 13 Is there a lock in period and exit penalty imposed under the Campaign?

- For Standard Payment Plan: There is no lock in period/ exit penalty imposed
- For Cash Back Payment Plan: Yes, lock in period of 3 years starting from the disbursement date will be imposed. In the event of early settlement within the lock in period, the Bank will claw back the total Cash Back amount granted to you as per the Campaign Terms and Conditions.

#### 14 What if I fully settle the financing before its maturity?

- The Bank will grant Ibra' (rebate) to the Customer where there is:
  - Early settlement or early redemption of the Facility; or
  - Settlement of the original financing contract due to financing restructuring exercise; or
  - Settlement by the Customer in the case of default; or
  - Settlement by the Customer in the event of termination or cancellation of financing before the maturity date.
- The Ibra' is calculated as follows:
 

**Ibra' at settlement** = Deferred Profit - Early settlement charges (if any)

**Settlement Amount** = Outstanding Selling Price + Instalments due + Late Payment Compensation (Ta'widh) – Adjustment on Ibra' due to fluctuations of Effective Profit Rate (if any) – Ibra' at settlement

*Note: For Cash Back Payment Plan, please refer Item 13.*

#### 15 What are the major risks?

- The profit rate is variable rate and may change according to changes in the reference rate (i.e. BR). An increase in profit rate may result in higher monthly payment. However, the profit rate increase is capped at the Ceiling Profit Rate.
- Should you encounter any difficulties in meeting your obligations, please contact the Bank in advance to discuss other payment alternatives. This is to avoid any legal action against you in the event you are unable to pay your monthly payment.

#### 16 Do I need a guarantor or collateral?

No guarantor or collateral is required.

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

It is important that you inform the Bank of any change in your contact details to ensure that all correspondence reaches you in a timely manner. Please contact 03-2096 3000 (Customer Service Center) or visit the nearest branch to update any changes.

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

If you have difficulties in making payments, you should contact us earliest possible to discuss payments alternatives. You may contact us at:	Alternatively, you may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK) that provide free services on money management, credit counselling, financial education and debt restructuring for individuals. You can contact AKPK at:
Collection and Recovery Department, Ground Floor, Menara MBSB, 46, Jalan Dungun, Damansara Heights, 50490 Kuala Lumpur Tel No. : 03-2082 8000 Fax No. : 03-2092 1035	Agensi Kaunseling dan Pengurusan Kredit 8th Floor, Maju Junction Mall, 1001, Jalan Sultan Ismail, 50250 Kuala Lumpur Tel No. : 1-800-88-2575 Email : enquiry@akpk.org.my
If you wish to complain on the products or services provided by us, you may contact us at:	If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK or TELELINK at:
Customer Experience Management 7th Floor, Wisma MBSB, 48, Jalan Dungun, Damansara Heights, 50490 Kuala Lumpur Tel. No. : 03 - 2096 3000 Email : complaint@mbsbbank.com	Block D, Bank Negara Malaysia Jalan Dato' Onn 50480 Kuala Lumpur Tel. No. : 1-300-88-5465 Fax No. : 03-2174 1515 Email : bnmtelink@bnm.gov.my

#### 19 Where can I get further information?

- Should you require additional information on the Personal Financing-i, please visit our website [www.mbsbbank.com](http://www.mbsbbank.com) or contact us at:

Personal Financing-i Department Consumer Banking Division 7th Floor, Menara MBSB, 46, Jalan Dungun, Damansara Heights, 50490 Kuala Lumpur Tel No. : 03-2082 8000 Faks No. : 03-2096 1063 Website : <a href="http://www.mbsbbank.com">www.mbsbbank.com</a>
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