

PRODUCT DISCLOSURE SHEET

Revolving Credit-i

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

Date: _____

1. What is this product about?

Revolving Credit-i (Tawarruq) is a short term revolving shariah compliant financing facility. Generally, Revolving Credit-i (Tawarruq) is extended to finance working capital requirements.

Revolving Credit-i (Tawarruq) is available in Ringgit Malaysia (RM) and other currencies subject to the Bank's approval.

2. What is the Shariah concept applicable?

The Shariah concept applicable for this product is *Tawarruq* arrangement whereby it refers to the trading of commodities which act as the underlying assets in two different level of transactions.

To facilitate the shariah arrangement, you (Customer) will execute the Agency Agreement to appoint the Bank as your agent/wakil to perform the Tawarruq transactions. Prior to disbursement, the Bank will buy specified commodity from commodity Broker A at the Purchase Price. Then, the Bank acting as your agent will purchase the specified commodity from the Bank on your behalf at the Selling Price which to be paid on deferred payment terms as agreed. Next, the Bank acting as your agent shall sell the commodity to commodity Broker B at a price equivalent to Purchase Price.

3. What do I get from this product?

You will be provided a facility with the following key features:

Facility Amount (Purchase Price)	
Margin of Financing	
Tenure	
Profit Rate: Variable Rate	i. EPR : _____ p.a. (e.g. BFR/ LIBOR + spread)
	ii. CPR : _____ p.a.
or Fixed Rate	at _____ p.a.
Selling Price	

Note:

- BFR (Base Financing Rate) will be determined by Bank from time to time. Current BFR is 5.50% p.a.
- CPR (Ceiling Profit Rate)
- EPR (Effective Profit Rate)
- LIBOR must be known at time of financing

4. What are my financial obligations?

- Bullet payment profit only or principal plus profit for a profit period agreed.
- To pay the Bank's Selling price of _____
- 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.
- To settle all amounts outstanding on or before the expiry of the facility tenure i.e. maturity date.

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)
Brokerage Fee	RM40 per RM1million transaction on pro-rated basis
Letter of Support	RM50 (Waived for micro enterprises customers)
Legal Fee on Financing documentations	Costs and charges relating to the financing documentation shall be borne by the Customer.

6. What if I fail to fulfil 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:

- Default payment(s) during Facility tenure:
1% p.a. on overdue amount.
- Default payment of any sum covenanted to be paid for recalled/terminated cases:
1% p.a. on the outstanding balance (outstanding principal plus accrued profit)
- Default payment of any outstanding balance after maturity of the facility:
Bank Negara Malaysia ("BNM") Islamic Interbank Money Market ("IIMM") rate on the outstanding balance (outstanding principal plus accrued profit);
- Default payment of any outstanding balance post judgment:
BNM IIMM rate on the basic judgment sum (excluding legal costs and late payment charges)

Note: i. Compensation charges shall not be compounded;
ii. Compensation charges methodology and rates are subject to changes as may be prescribed by BNM;
iii. Compensation charges are computed on daily basis from the payment due date/ termination date/ maturity date/ judgment date.

- 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. What if I fully settle the financing before its maturity?

- The Bank shall grant Ibra' (rebate) to you (if applicable) 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 you in the case of default; or

iv. Settlement by you in the event of termination or cancellation of financing before the maturity date.

- The Ibra' (rebate) is calculated as follows:

Ibra' at Settlement	=	Remaining Unearned Profit - Early settlement charges (if any)
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8. Do I need any guarantor or collateral?

- A guarantor is to be provided if required i.e. where the Facility is unsecured
- Any collateral acceptable by the Bank.
Note: However, the above requirement will depend on customer's creditworthiness

9. What are the major risks inherent to this product?

- If the Facility is based on variable rate, an increase in BFR will result to higher instalment but is capped at CPR. The Bank will notify you on changes of instalment amount prior to the effective date.
- Should you encounter any difficulties in meeting your obligations, please contact your dedicated Relationship Manager 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 instalment.

10. 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)

11. 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 Experience Management Dept
7th Floor, Wisma MBSB,
48, Jalan Dungun, Damansara Heights,
50490 Kuala Lumpur
Phone : 03-2096 3000
e-mail : enquiry@mbsbbank.com
- 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 : bnmtelelink@bnm.gov.my

12. Where can I get further information?

- Should you require additional information on the product, please visit our website at www.mbsbbank.com or alternatively call your respective Relationship Manager.

13. Other facilities available?

- i. Bridging Financing-i
- ii. Term Financing-i
- iii. Equipment Financing-i
- iv. Bank Guarantee-i

IMPORTANT NOTE :

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

The information provided in this disclosure sheet is valid as at _____ :