



Your Choice Bank

**PRODUCT DISCLOSURE SHEET**

<p><b>Please read this Product Disclosure Sheet before you decide to subscribe for Credit Bills Financing-i. Be sure to also read the terms and conditions of this product. Seek clarification if you do not understand any part or this document or the general terms.</b></p>	<p><b>BANK RAKYAT</b>  <b>CREDIT BILLS FINANCING-i (CBF-i)</b>          Package: _____          Date: _____</p>										
<b>1. What is this product about?</b>											
<p>Credit Bills Financing-i (CBF-i) is a short-term financing for export bills drawn under Export Letter of Credit-i (ELC-i). The financing is made available to the customer [seller/exporter (beneficiary of the ELC-i)] based on the bill amount upon the submissions of the drafts and documents in compliance with the terms and conditions of the ELC-i.</p>											
<b>2. What is the Shariah concept applicable?</b>											
<ul style="list-style-type: none"> <li>This financing is under the Shariah principles of <i>Murabahah</i> (by adopting <i>Tawarruq</i> practices) where based on <i>Wa`d</i> from the customer, the bank will purchase commodity from a commodity trader and then sells the commodity to the customer based on <i>Murabahah</i> sales price (cost of commodities with profit) on deferred payment basis and as the customer's agent, the Bank sells the commodity to third party buyer at cash. The cash collected from third party buyer will be deposited into customer's special designated account. Currently the commodities being used are Crude Palm Oil (CPO) and Plastic Resin (PE).</li> <li>The goods/ items of saleable value involved must not be prohibited by Shariah. Examples of prohibited items are alcohol, pork, destructive drugs, weapon, etc.</li> </ul>											
<b>3. What do I get from this product?</b>											
<p>Total selling price : RM _____ (Total amount due on maturity based on ceiling rate)          Total financing amount : RM _____ (Amount to be financed / Invoice value)          Profit rate : BFR or COF or eCOF + Spread          Tenure : Ranging between 1-6 months</p> <p><i>Formula for financing:</i> <math>FV = P / [1 + (R \times T / 36500)]</math></p> <p>FV : Face Value / Maturity Value (Bank's Selling Price)          P : Invoice Value          R : Profit Rate (as per Letter of Offer)          T : Tenure of Financing          BFR : Based Financing Rate          COF : Cost of Fund          eCOF : Effective Cost of Fund</p>											
<b>4. What are my obligations?</b>											
<p>Customer is to honour the payment on or before maturity date of financing.</p>											
<b>5. What are the fees and charges I have to pay?</b>											
<p>All costs and charges incurred in relation to the facility are to be borne by the customer (if applicable).</p>											
<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr style="background-color: #f4a460;"> <th style="padding: 5px;">Type of Fee/Charges</th> <th style="padding: 5px;">Rate/Cost</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">RENTAS</td> <td style="padding: 5px;">RM5</td> </tr> <tr> <td style="padding: 5px;">IBG (as per over the counter)</td> <td style="padding: 5px;">RM2</td> </tr> <tr> <td style="padding: 5px;">SWIFT</td> <td style="padding: 5px;">RM25</td> </tr> <tr> <td style="padding: 5px;">General expenses (Courier)</td> <td style="padding: 5px;">Actual cost</td> </tr> </tbody> </table>		Type of Fee/Charges	Rate/Cost	RENTAS	RM5	IBG (as per over the counter)	RM2	SWIFT	RM25	General expenses (Courier)	Actual cost
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**6. What if I fail to fulfil my obligations?**

- The Bank reserves the right to set off the customer's eCurrent Account-i (eCA-i) or Term Deposit-i Account (TD-i) with the Bank as payment for outstanding amounts. The Bank also reserves the right to claim for full payment of the invoice value and to take legal action against default financing. All cost incurred will be borne by the customer.
- Compensation charges for late payment (*Ta`widh*) or settlement after maturity date of financing shall be imposed on customer.
- *Formula for Ta`widh:*  

$$\text{Outstanding Principal Amount} \times \text{Islamic Interbank Money Market Rate} \times (\text{Number of days in default} / 365)$$

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

- For financing fully settled before maturity, the Bank shall provide rebate (*Ibra'*) on the total balance deferred profits / profit not accrued.
- *Formula for Early settlement amount :*  

$$\text{Outstanding Selling Price} - \text{Ibra}' + \text{Late Payment (if any)}$$
- Note:  

$$\text{Ibra}' = \text{Deferred Profit} + \text{Undisbursed Principal (if any)} - \text{Other Charges (if any)}$$

**8. Do I need any Takaful coverage?**

Takaful coverage requirement is dependent on the ELC-i terms and conditions.

**9. What are the major risks?**

- Customer shall not be able to utilize any other trade facility should there be any default in financing.
- All other terms and conditions as per spelt out in Letter of Offer.

<p><b>10. Where can I get more information?</b></p> <p>Please visit  <a href="http://www.bankrakyat.com.my">www.bankrakyat.com.my</a></p>	<p><b>Any suggestions and questions can be directed to:</b></p> <p>Trade Finance Department                  Level 28 Menara 1                  Menara Kembar Bank Rakyat                  No. 33 Jalan Rakyat                  KL Sentral                  50470 Kuala Lumpur                  Tel: 03-26129600                  General line                  Email:  <a href="mailto:trade@bankrakyat.com.my">trade@bankrakyat.com.my</a></p> <p>Or</p> <p>Business Banking Division                  Level 26 Menara 1                  Menara Kembar Bank Rakyat                  No. 33 Jalan Rakyat                  KL Sentral                  50470 Kuala Lumpur                  Tel: 03-26129600                  General line</p>	<p><b>You can make a complaint by calling:</b></p> <p>Public Complaints Bureau                  Customer Service, Menara 1                  Menara Kembar Bank Rakyat                  No. 33 Jalan Rakyat                  KL Sentral                  50470 Kuala Lumpur                  Tel: 1-300-80-5454                  Website:  <a href="http://www.bankrakyat.com.my/enquiries-feedback">www.bankrakyat.com.my/enquiries-feedback</a></p> <p>Or</p> <p>Contact Bank Negara Malaysia LINK or TELELINK at:                  Block D, Bank Negara Malaysia,                  Jalan Dato' Onn,                  50480 Kuala Lumpur                  Tel: 1-300-88-5465                  Fax: 03-21741515                  E-mail: <a href="mailto:bnmtelelink@bnm.gov.my">bnmtelelink@bnm.gov.my</a></p>
<p><b>11. Other Trade Finance products available.</b></p>		
<ul style="list-style-type: none"> <li>• Letter of Credit-i</li> <li>• Export Letter of Credit Advising-i</li> <li>• Export Letter of Credit Confirmation-i</li> <li>• Inward Bills Collection-i</li> <li>• Outward Bills Collection-i</li> <li>• Outward Bills Financing-i</li> <li>• <i>Tawarruq</i> Trade Financing</li> <li>• <i>Murabahah</i> Working Capital Financing</li> <li>• Shipping Guarantee-i</li> <li>• Bank Guarantee-i</li> </ul>		
<p><b>IMPORTANT NOTE:</b></p> <ul style="list-style-type: none"> <li>• <b>LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DO NOT MAKE PAYMENT ON REGULAR BASIS.</b></li> <li>• <b>PRODUCT DISCLOSURE SHEET MUST BE READ, UNDERSTAND, ACCEPTED AND MUST BE SIGNED BY THE CUSTOMER.</b></li> <li>• <b>THE PRODUCT HAS BEEN APPROVED BY SHARIAH COMMITTEE OF BANK RAKYAT ON 25<sup>th</sup> JUNE 2015.</b></li> <li>• <b>THE INFORMATION PROVIDED IN THIS DISCLOSURE SHEET IS VALID AS AT OR UNTIL _____.</b></li> </ul>		