

PRODUCT DISCLOSURE SHEET



Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information on your Credit Bills Financing-i. (CBF-i)

Other customers have read this PDS and found it helpful.

You should read it too.

Date: _____

1 What is for Credit Bills Financing-i?

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.

This financing is under the Shariah principles of Murabahah (by adopting Tawarruq practices) where based on Wa`d from the customer, the bank will purchase commodity from a commodity trader and then sells the commodity to the customer based on Murabahah 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). The goods/ items of saleable value involved must not be prohibited by Shariah. Examples of prohibited items are alcohol, pork, destructive drugs, weapon, etc.

2 Know Your Obligations

You must **honour the payment on or before maturity date of financing.**

For this Credit Bills Financing-i, **all costs and charges incurred in relation to the financing are to be borne by you and payable upfront.** All fees/charges are **subject to 8% service tax, where applicable.**

For this Credit Bill Financing-i, below is an illustration

- Your Financing amount: **RM100,000**
- Your Selling Price: **RMXXXXX**
- Profit rate: **XX% p.a.** (BFR or COF or eCOF + Spread)
- Your Financing period: **180 days**

$$\text{Formula for financing: } SP = \frac{P \times R \times T}{365} + P$$

SP : Selling Price/Maturity Value (Total amount payable at maturity based on the profit rate)
P : Invoice Value (Financing amount)
R : Profit Rate (as per Letter of Offer)
T : Financing Tenure, between 1 - 6 months (as stated in the Letter of Offer)
BFR : Based Financing Rate
COF : Cost of Fund
eCOF: Effective Cost of Fund

You have to pay the following fees and charges:

Type of fee/charges	Rate/Cost
RENTAS (if applicable)	RM5 per account
IBG (if applicable)	RM2 per account
SWIFT (if applicable)	RM25
Courier (if applicable)	Actual cost

It is your responsibility to:



Read and understand this Product Disclosure Sheet also the **key terms and conditions of this product** before you sign the Letter of Offer/Contact.



To honour the payment on or before maturity date of financing. Kindly inform us if you wish to make an early settlement.



Contact us immediately if you are unable to pay your financing.

If you wish to settle your financing before maturity.

- Inform us if you wish to make an early settlement.
- For financing fully settled before maturity, the Bank shall provide rebate (*lbra'*) on the total balance of deferred profits / unearned profits.
- Formula for early settlement amount:

Outstanding Selling Price - *lbra'* + Late Payment (if any)

Note: *lbra'* = Deferred Profit + Undisbursed Principal (if any) – Other Charges (if any)

3 Know Your Risks

What happens if you ignore your obligations?

1. The Bank reserves the right to set off your eCurrent Account-i (eCA-i) or Term Deposit-i Account (TD-i) with the Bank as payment for outstanding amounts.
2. The Bank also reserves the right to claim for full payment from you for the financing amount and may take legal action against you.
3. All cost and charges incurred will be borne by you.
4. You pay more in total due to compensation charges for late payment (*Ta`widh*) or settlement after maturity date of financing. Formula for *Ta`widh*:

Outstanding Principal Amount x Islamic Interbank Money Market Rate x (Number of days in default / 365)

Note: *Ta`widh* does not apply during the financing tenure.

4 Other Key Terms

- You shall not be able to utilize any other trade facility should there be any default in financing.
- It is important that you inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner.
- All other terms and conditions as per spelt out in Letter of Offer.

If you have any questions or require assistance on your Credit Bills Financing-i you can:



Call us at:
1-300-80-5454



Visit our website at:
www.bankrakyat.com.my



Email us at:
trade@bankrakyat.com.my



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Customer's Acknowledgement*

Ensure you are filling this section yourself and are aware of what you are placing your signature for.

- I acknowledge that Bank Rakyat has provided me with a copy of the PDS.
- I have read and understood the key information contained in this PDS.

**A customer's acknowledgement of this PDS shall not prejudice his/her rights to seek redress in the event of subsequent dispute over the product term and conditions.*

Name:
Date: