

PRODUCT DISCLOSURE SHEET

Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information on your **Bridging Financing-i (“BF-i”) Facility**.

Other customers have read this PDS and found it helpful; **you should read it too.**



Your Bank of Choice

Date:

1 WHAT IS BRIDGING FINANCING-i (“BF-i”) FACILITY?

- This product is a facility provides short-term funding to bridge cash flow gaps for property development projects.
- The Financing Facility is structured under the principle of **Murabahah** (adopting the practice of Tawarruq). The Bank shall purchase the commodity from a commodity supplier and thereafter sell the commodity to you (with the Bank acting as your purchasing agent) pursuant to a Murabahah Sale Contract (“MSC”) at the sale price (being the cost of the commodity plus profit) on a deferred payment basis. Subsequently, acting as the your selling agent (subject to a fee), the Bank shall sell the commodity to a third-party purchaser on a cash basis with proceeds shall be paid according to the terms of the Letter of Offer.
- Currently the commodities being used are Crude Palm Oil (CPO), Plastic Resin (PE) or Telco Airtime.

2 KNOW YOUR OBLIGATIONS

For this Bridging Financing-i (“BF-i”) Facility, **as an illustration:**

- Your financing amount: **RM50,000,000.00**
- Your financing tenure: **3 years**
- Profit rate: **BFR + 1.0% p.a. [7.58% p.a. effective]**
[BFR at 6.58% p.a. and will be determined by the Bank periodically]
- Ceiling Rate: **10.58% p.a. [BFR + 4% per annum]**
- Sale Price: **RM65,870,000.00**

Payment of Sale Price is by way of redemption of individual unit sold from the project. The redemption rate shall be 30% of the signed Sales and Purchase Agreement (SPA) OR 20% of the Sales Value. The redemption shall commence after the first 10% down payment collected for every unit sold under the project. The redemption received is to reduce principal outstanding and/or to recover any shortfalls in connection with the Facility (if any).

The Bank shall nevertheless reserve the right to vary the redemption rate and the allocation rate from time to time.

In the event of shortfall of the above, the Customer shall settle the difference or pay the Sale Price based on the schedule below:

Instalment	Amount Per Instalment (RM)	Number of Instalments	Total (RM)
1 st – 35 th	453,428.58	35	15,870,000.00
36 th	50,000,000.00	1	50,000,000.00
Total		36	65,870,000.00

*The BFR is set as the Overnight Policy Rate (OPR) decided by Bank Negara Malaysia (BNM). Please refer to Bank Rakyat’s website <https://www.bankrakyat.com.my/shariah/article/consumer-guide-reference-rate-for-the-latest-BFR>.

You have to pay the following fees and charges:

Stamp duty according to Stamp Act 1949.

Stamp duty	0.5% of financing amount
Trading fee	To be determined at the point of each <i>Murabahah</i> sale. <i>Note: The Commodity Trading fee shall be shared equally (50:50) between the Bank and the Customer accordingly.</i>

- Late Payment Charges (Ta’widh): **1% p.a.** on the amount in arrears.
- Legal fees and disbursement costs (including charge registration and related costs).

It is your responsibility to:



Read and understand the **key terms** in the **contract** before you sign it.



Pay your monthly payment timely and in full according to your financing tenure. Speak to us if you wish to settle your financing earlier.



Contact us immediately if you are unable to pay your monthly payment.

If you wish to settle your financing early, you should know:

- Bank Rakyat shall provide rebate (*ibra'*) on the total balance deferred profits / profit not accrued.
- The amount of early settlement is as per formula below:
 - i) Early Settlement Amount = Outstanding Selling Price – *ibra'* + Late Payment Charges (if any) where,
 - ii) *ibra'* = Deferred Profit + Undisbursed Principal (if any) – Other Charges (if any)

3 KNOW YOUR RISKS

What happens if the Customer (“you”) ignore your obligation?

- You will **pay more in total** due to Late Payment Charges (Ta'widh).

During the facility tenure	a) Before the termination of the Facility At the rate of which shall not be more than one per centum (1%) per annum on such overdue instalment(s) under the Facility. b) Upon date of termination of the Facility until the date of judgment At the rate of which shall not be more than one per centum (1%) per annum on such total outstanding balance of Sale Price. c) Subsequent to the judgment At the rate of which shall not be more than the prevailing daily overnight Islamic Interbank Money Market (IIMM) rate on the outstanding balance of Sale Price from the date of judgment until date of full settlement.
After the expiry of the facility tenure	At the rate to be calculated from the date of the default payment which is after the maturity date of the Facility and <u>which rate shall not be more than</u> the prevailing daily overnight Islamic Interbank Money Market (IIMM) rate on the outstanding balance of the Sale Price.

- Bank Rakyat may **deduct** money from your Savings / Current / Investment / Share Membership Account you have with Bank Rakyat to set-off your outstanding financing balance.
- Bank Rakyat may **take legal action** against you and all cost incurred will be borne by the customer.
- Your **credit score** may be affected leading to difficulty in obtaining financing/credit or will become more expensive for you.\

4 OTHER KEY TERMS

- It is important that you inform Bank Rakyat of any change in your contact details to ensure that all correspondence reaches you in a timely manner.
- The key term of the product is:
 - The primary source of payment shall be from the redemption sum received from the end-financier on individual property sold.
 - Collateral and corporate/individual guarantee (shareholders/company directors/partners/sole proprietor) will be determined based on the customer's strength and business viability.
 - You are advised to take takaful plans from takaful operator appointed by the Bank and you agree to allow Bank to obtain the protection from the said takaful operator. However, you are free to use any other takaful operator in Malaysia which requires you to arrange it on your own.

If you have any questions or feedback or require assistance with your business financing, you can:



Call us at
1-300-80-5454
International Line:
+603 5526 9000



Visit us at
www.bankrakyat.com.my



Email us at
telerakyat@bankrakyat.com.my
aduan@bankrakyat.com.my



Scan the QR code above

If you wish to lodge a complaint regarding provisions of this Agreement or concerning this Facility you may do so through the following channels:

Via telephone at 1-300-80-5454 or send your complaint to: Public Complaints Bureau Unit, 19th Floor, Menara 1, Menara Kembar Bank Rakyat, No.33, Jalan Rakyat, KL Sentral, 50470 Kuala Lumpur or e-mail to: aduan@bankrakyat.com.my
Alternatively, you may contact Bank Negara Malaysia via BNMLINK – Enquiries & Complaints
Webpage: www.bnm.gov.my/BNMLINK
Address: 4th Floor, Podium Bangunan AICB, No. 10, Jalan Dato' Onn, 50480 Kuala Lumpur

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 the 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: