



Your Bank of Choice

## PRODUCT DISCLOSURE SHEET

<p><b>Read this Product Disclosure Sheet before you decide to take up the Education Financing-i. Be sure to also read the terms and conditions in the Letter of Offer. Seek clarification from the Bank if you do not understand any part or this document or the general terms.</b></p>	<p><b>BANK RAKYAT</b></p> <p><b>EDUCATION FINANCING-i</b></p> <p>Date: _____</p>																																																																																																																		
<b>1. What is this product about?</b>																																																																																																																			
<ul style="list-style-type: none"> <li>This product offers the financing facility to finance the cost of study and other cost Educational Institution whether in Malaysia or abroad.</li> </ul>																																																																																																																			
<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 the commodity from a commodity trader and then sells the commodity to the customer based on the <i>Murabahah</i> sales price (cost of commodities with profit) on deferred payment basis and then, as the customer's agent, Bank, will sell the commodity to third party buyer at cash. The cash collected from third party buyer will be deposited into customer's accounts.</li> <li>Currently the commodities being used are <i>Crude Palm Oil (CPO)</i> dan <i>Plastic Resin (PE)</i>.</li> </ul>																																																																																																																			
<b>3. What do I get from this product?</b>																																																																																																																			
<ul style="list-style-type: none"> <li>Total selling price: RM _____</li> <li>Total amount finance: RM _____</li> <li>Profit rate: _____% equal to _____% flat rate</li> <li>Current Base Rate (BR): _____%</li> <li>Effective profit rate*: _____% per annum</li> <li>Ceiling rate: _____% equal to _____% flat rate</li> <li>Tenure: _____ years</li> </ul> <p>*Note: Effective rate are Base Rate (BR) + Margin/Spread</p>																																																																																																																			
<b>4. What is Base Rate (BR)?</b>																																																																																																																			
<ul style="list-style-type: none"> <li>The BR we offer on this product is made up based on our benchmark Cost of Funds (COF). Our benchmark COF reflects the cost of raising new funds and 3-month Kuala Lumpur Interbank Offering Rate (KLIBOR).</li> </ul>																																																																																																																			
<b>5. What are possible scenarios to trigger a change in the BR?</b>																																																																																																																			
<ul style="list-style-type: none"> <li>Our BR can rise or fall due to change in the benchmark COF. Changes in benchmark COF could occur due to change in Overnight Policy Rate (OPR) as decided by the Monetary Policy Committee of Bank Negara Malaysia, as well other factors such as the market funding conditions.</li> </ul>																																																																																																																			
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<table border="1"> <caption>Historical Benchmark COF Data</caption> <thead> <tr> <th>Month</th> <th>Base Rate (%)</th> <th>Benchmark Cost of Funds (%)</th> </tr> </thead> <tbody> <tr><td>Sep-16</td><td>3.95</td><td>3.73</td></tr> <tr><td>Oct-16</td><td>3.95</td><td>3.70</td></tr> <tr><td>Nov-16</td><td>3.95</td><td>3.70</td></tr> <tr><td>Dec-16</td><td>3.95</td><td>3.78</td></tr> <tr><td>Jan-17</td><td>3.95</td><td>3.74</td></tr> <tr><td>Feb-17</td><td>3.95</td><td>3.74</td></tr> <tr><td>Mar-17</td><td>3.95</td><td>3.74</td></tr> <tr><td>Apr-17</td><td>3.95</td><td>3.71</td></tr> <tr><td>May-17</td><td>3.95</td><td>3.70</td></tr> <tr><td>Jun-17</td><td>3.95</td><td>3.70</td></tr> <tr><td>Jul-17</td><td>3.95</td><td>3.68</td></tr> <tr><td>Aug-17</td><td>3.95</td><td>3.67</td></tr> <tr><td>Sep-17</td><td>3.95</td><td>3.68</td></tr> <tr><td>Oct-17</td><td>3.95</td><td>3.69</td></tr> <tr><td>Nov-17</td><td>3.95</td><td>3.70</td></tr> <tr><td>Dec-17</td><td>3.95</td><td>3.74</td></tr> <tr><td>Jan-18</td><td>4.10</td><td>3.98</td></tr> <tr><td>Feb-18</td><td>4.10</td><td>3.90</td></tr> <tr><td>Mar-18</td><td>4.10</td><td>3.81</td></tr> <tr><td>Apr-18</td><td>4.10</td><td>3.75</td></tr> <tr><td>May-18</td><td>4.10</td><td>3.77</td></tr> <tr><td>Jun-18</td><td>4.10</td><td>3.78</td></tr> <tr><td>Jul-18</td><td>4.10</td><td>3.79</td></tr> <tr><td>Aug-18</td><td>4.10</td><td>3.80</td></tr> <tr><td>Sep-18</td><td>4.10</td><td>3.81</td></tr> <tr><td>Oct-18</td><td>4.10</td><td>3.82</td></tr> <tr><td>Nov-18</td><td>4.10</td><td>3.83</td></tr> <tr><td>Dec-18</td><td>4.10</td><td>3.84</td></tr> <tr><td>Jan-19</td><td>4.10</td><td>3.85</td></tr> <tr><td>Feb-19</td><td>4.10</td><td>3.85</td></tr> <tr><td>Mar-19</td><td>4.10</td><td>3.84</td></tr> <tr><td>Apr-19</td><td>4.10</td><td>3.83</td></tr> <tr><td>May-19</td><td>3.90</td><td>3.66</td></tr> <tr><td>Jun-19</td><td>3.90</td><td>3.71</td></tr> <tr><td>Jul-19</td><td>3.90</td><td>3.75</td></tr> <tr><td>Aug-19</td><td>3.90</td><td>3.64</td></tr> <tr><td>Sep-19</td><td>3.90</td><td>3.60</td></tr> </tbody> </table>		Month	Base Rate (%)	Benchmark Cost of Funds (%)	Sep-16	3.95	3.73	Oct-16	3.95	3.70	Nov-16	3.95	3.70	Dec-16	3.95	3.78	Jan-17	3.95	3.74	Feb-17	3.95	3.74	Mar-17	3.95	3.74	Apr-17	3.95	3.71	May-17	3.95	3.70	Jun-17	3.95	3.70	Jul-17	3.95	3.68	Aug-17	3.95	3.67	Sep-17	3.95	3.68	Oct-17	3.95	3.69	Nov-17	3.95	3.70	Dec-17	3.95	3.74	Jan-18	4.10	3.98	Feb-18	4.10	3.90	Mar-18	4.10	3.81	Apr-18	4.10	3.75	May-18	4.10	3.77	Jun-18	4.10	3.78	Jul-18	4.10	3.79	Aug-18	4.10	3.80	Sep-18	4.10	3.81	Oct-18	4.10	3.82	Nov-18	4.10	3.83	Dec-18	4.10	3.84	Jan-19	4.10	3.85	Feb-19	4.10	3.85	Mar-19	4.10	3.84	Apr-19	4.10	3.83	May-19	3.90	3.66	Jun-19	3.90	3.71	Jul-19	3.90	3.75	Aug-19	3.90	3.64	Sep-19	3.90	3.60
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**7. What are my obligations?**

- Your monthly instalment: RM \_\_\_\_\_
- The total amount at the end of \_\_\_\_\_ years is RM \_\_\_\_\_

**Important:** Your monthly instalment and total payment amount will vary if profit rate changes. However, the total payment amount should not exceed the Selling Price.

Rate	Today (profit rate:.....%)	If profit rate goes up 1%	If profit rate goes up 2%
Monthly Instalment	RM	RM	RM
Total profit cost at the end of .....years	RM	RM	RM
Total payment amount at the end of .....years	RM	RM	RM

Total profit for the grace period (if applicable) of \_\_\_\_\_ months is RM \_\_\_\_\_.

**Note:**

- We will communicate to you at least twenty-one (21) calendar days prior to the effective date of implementation if there are any changes in profit rate that applicable to your financing facility.
- Prepayment or excess payment of the monthly instalment is allowed and will be treated as subsequent month instalment payment. The prepayment or excess payment however will affect to the profit calculation of your financing account.

**8. What other charges do I have to pay?**

No	Type of Fee	Fee Amount/Detail
i	Stamp duty	<b>0.5%</b> of total financing as contained in the Stamp Duty Act 1949.
ii	Disbursement Fee	Include fee for registration of charge and other related charges.
iii	Remittance	Applicable to course fee payment involved oversea educational institution.
iv	Legal Fee	All legal fees and incidental expenses related to your financing.
v	Valuation Fee	Applicable to collateral with mortgage.
vi	Custodian of Security Documents after Full Settlement	RM10 per set per month.
vii	Wakalah or Agency Fee	No charge

**Note:** The fee amount is exclusive of any tax or levy.

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

- You are advised to take takaful plans from takaful operator appointed by the Bank and you are 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.

**10. What if I fail to fulfil my obligations?**

- In the event that your account has been in arrears for more than three (3) months, your Financing Account will be categorized as Impaired Financing. The Bank will convert the existing profit rate into Ceiling Rate as set out in item 3 of the above and we will notify you in writing.
- You are required to pay the monthly installment at Ceiling Rate in the following month until the whole / part of the arrears is settled.

- Compensation Charge (*Ta'widh*) for Late Payment

During the financing tenure:	1% per annum on the outstanding amount of the monthly payment.
After expiry of financing tenure:	Shall not be more than the prevailing daily overnight Islamic Interbank Money Market rate (IIMM) on the outstanding balance.

- The Bank reserves the right to deduct/set-off customer's savings balance (Savings/Investment Account/ Share Membership Account) with the bank as payment for outstanding amounts.
- Bank will inform customer at least seven (7) calendar days in advance on the intention to set-off the customer's savings balance.
- The Bank reserves the right to take legal action and all costs incurred will be borne by the customer.

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

- The Bank shall provide rebate (*ibra'*) on the total balance deferred profits / profit not accrued.
- The amount of early settlement is as per the formula below:

Early Settlement Amount = Outstanding Selling Price – Ibra' + Late Payment Charges (if any)

Where,

Ibra' = Deferred Profit + Undisbursed Principal (if any) – Other Charges (if any)

#### 12. Do I need a guarantor or collateral?

- The guarantor and collateral are required for this financing.

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

- It is important that you inform Bank of any change in your contact details to ensure that all correspondences reach you in a timely manner.
- Please contact the Call Centre at 1-300-80-5454 OR visit any branch to any changes of the customer information.

#### 14. Where can I get more information?

For more information, please refer to the product brochure or visit

[www.bankrakyat.com.my](http://www.bankrakyat.com.my)

#### 15. Any suggestions and your questions can be directed to:

**Call Centre at:  
1-300-80-5454**

- 7:30 am to 9:30 pm  
Available for all inquiries
- 9:30 pm to 7:30 am  
Available only to check application status, internet banking and report lost card

Or

International Line:  
**+603 5526 9000**

Or

Facsimile:  
**03-2264 7301**

Or e-mail to:  
[telrakyat@bankrakyat.com.my](mailto:telrakyat@bankrakyat.com.my)

#### 16. If you wish to complaint on the products and services provided by us, you may contact us at:

**Call Centre at:  
1-300-80-5454**

or send your complaint to:

**Unit Public Complaints Bureau,  
Customer Service, Menara 1,  
Menara Kembar Bank Rakyat,  
No.33, Jalan Rakyat, KL Sentral,  
50470 Kuala Lumpur**

or e-mail to  
[aduan@bankrakyat.com.my](mailto:aduan@bankrakyat.com.my)

Or

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: [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)



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#### 17. Where can I get assistance and redress?

- If you have difficulties in making monthly payments, you should contact us earliest to discuss payment alternatives. You may contact us at any of the Bank's branches or the branch where the financing is made.
- Alternatively, you may seek the services of **Agensi Kaunseling dan Pengurusan Kredit (AKPK)**, an agency established by Bank Negara Malaysia to provide free services on money management, credit counselling and debt restructuring for individuals. You can contact AKPK at:

8<sup>th</sup> Floor, Maju Junction Mall  
1001, Jalan Sultan Ismail,  
50250 Kuala Lumpur  
Tel: +603-26167766  
E-mail: [enquiry@akpk.org.my](mailto:enquiry@akpk.org.my)

#### 18. Other Education Financing-i packages available.

- No

#### IMPORTANT NOTE:

- LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU **DO NOT** KEEP UP REPAYMENTS ON YOUR EDUCATION FINANCING-i.
- THIS PRODUCT HAS BEEN APPROVED BY SHARIAH COMMITTEE ON 23 JANUARY 2013.
- PRODUCT DISCLOSURE SHEET MUST BE READ, UNDERSTAND, ACCEPTED AND MUST BE SIGNED BY THE CUSTOMER.
- THE INFORMATION PROVIDED IN THIS PRODUCT DISCLOSURE SHEET IS VALID AS AT \_\_\_\_\_