

PRODUCT DISCLOSURE SHEET

Date : _____ (To be filled by Branches)

[Please read and understand this Product Disclosure Sheet together with the terms and conditions before you decide to apply or to accept the offer of MUS1M-i Normal.]

1. What is the product about?

MUS1M-i Normal is an uncollateralized term financing for business operated by Micro Entrepreneurs and open to new and loyal customers.

2. What is the Shariah concept applicable?

This product uses Tawarruq transaction as its Shariah concept. Tawarruq refers to a form of transaction with the purpose of obtaining cash. Through this financing, the Bank will buy the commodity (crude palm oil (CPO), plastic resin or any other commodity as advised by the Commodity Supplier) from the Commodity Supplier at cost price (based on the financing amount). Subsequently the Bank sells the commodity to the Customer at cost plus profit (*Murabahah*) on a deferred payment. Next, the Customer appoints the Bank as an agent to sell the commodity at cost price in cash to a third party, on a cash basis. Proceeds of sale will be credited to Customer's account as financing amount required by the Customer. Commodity applies for *Tawarruq* transaction is subject to the Commodity Broker.

3. What are the eligibility conditions for this product?

Eligibility conditions for this product are the customer is a resident in the area of business operated for more than two (2) years and the business has been operated more than twenty four (24) months.

4. What do I get from this product?

The features of this product as per below:

Financing Limit	First time application- up to RM20,000.00 Refinancing / overlapping – up to RM50, 000.00 Financing limit up to 100% of the total cost and subject to credit evaluation.
Financing Tenure	Up to 60 months
Profit Rate	15% per annum on a monthly rest

5. What are my obligations?

- Payment must be made on weekly basis.
- To execute *akad* in the *Tawarruq* transaction.

6. What are the fees and charges required to be paid?

Type of Fees & Charges	Details of Fees & Charges
Takaful Contribution	Based on financing amount approved.
Brokerage Fee	Brokerage Fee for every successful <i>Tawarruq</i> transaction is at RM 15 for every millions of commodity purchasing amount. (Subject to GST at 6%)

Note :

- The Bank will notify at least 21 days' notice before any changes made to the fees and charges.
- Please be informed that effective 1 April 2015, Goods and Services Tax ("GST") of 6% will be imposed on fees and charges (where applicable) for products and services offered by Agrobank.

7. What happens if I fail to fulfill the obligations as required?

- The Bank shall have the right to impose and claim for compensation (*Ta'widh*) from the Customer on the Bank's loss due to the Customer's default/failure in the instalment payment, balance of the Sale price or any other payment payable by the Customer to the Bank is calculated from the date the payment becomes due until settlement based on the following guidelines issued by Bank Negara Malaysia (BNM) Shariah Advisory Council resolution as follows:
 - i. Prior maturity date, *Ta'widh* shall be imposed on the overdue amount at the rate of one per centum (1%) per annum to be calculated on a daily basis.
 - ii. Upon maturity date, *Ta'widh* shall be imposed at the prevailing Islamic Interbank Money Market (IIMM) rate on the principal balance as fixed by the Bank from time to time based on the guidelines issued by BNM based on its Shariah Advisory Council resolution.
- Legal action will be taken if the customer fails to comply with the reminder notices issued by the Bank

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

Rebate (*Ibra'*) shall be granted to you based on the formula set out below, in the event of any of the following scenarios (but not limited to):-

- i. Early settlement or early redemption or prepayments;
- ii. Settlement of the financing due to restructuring exercise;
- iii. Settlement by the Customer in the case of default whereby even though the Customer is in default, the Customer makes full settlement of the indebtedness under the Facility before maturity date;
- iv. Settlement by the Customer in the event of termination or cancellation of financing before maturity date.

The formula of calculation of *Ibra'* is as follows:

$Ibra' \text{ at Early Settlement} = \text{Deferred Profit} - \text{Early Settlement Charges}$ $\text{Settlement Amount} = \text{Outstanding Selling Price} + \text{Instalments Due} + \text{Late Payment Charges (if any)} - Ibra'$
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9. Do I need any Takaful coverage?

Yes. Customer is encouraged to take Skim Takaful Kredit to secure the indebtedness amount under the financing. Payment can be made through the deduction from the amount of financing. Customers are allowed to use non takaful panel. However, to safeguard the interest of the Bank and Customers, the appointment of takaful panel is highly recommended.

10. What are the major risks?

- Legal action will be taken if the customer fails to settle the indebtedness after the letter of demand had been issued. The customer will have to bear all the costs incurred.
- If customer failed to reply to email, fax or any other mediums of *akad* as advised by the Bank, Customer would be at risk of not obtaining the financing as requested. Therefore, it shall be customer's responsibility to response to the akad via medium of akad advised by the Bank.

11. Do I need a guarantor or collateral?

Kafalah or individual guarantor, at least one person must be obtained (if required) to guarantee this financing. No collateral shall be required by the Bank.

12. What should I 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 correspondences reach you in a timely manner. To update your contact details, please contact:

- Tel : 1-300-88-2476 • Fax: 603-2691 7790 • Email : customer@agrobank.com.my

13. Where can I get assistance and redress?

- If you have difficulties in making payments, you should contact us earliest possible to discuss payment alternatives. You may contact us at:
Agrobank, Bangunan Agrobank, Leboh Pasar Besar, Peti Surat 10815, 50726 Kuala Lumpur.
• Tel: 1-300-88-2476 • Fax: 603-2691 7790 • Email : customer@agrobank.com.my
- Alternatively, you may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by BNM which provides free services on monetary management, credit counselling and debt restructuring for individuals. You may contact AKPK at:
Tingkat 8, Maju Junction Mall, 1001, Jalan Sultan Ismail, 50250 Kuala Lumpur.
• Tel: 1-800-22-2575 • Email : enquiry@akpk.org.my
- If you wish to complaint on the products or services provided by us, you may contact us at:
Agrobank, Client Relationship Management, Bangunan Agrobank, Leboh Pasar Besar, Peti Surat 10815, 50726 Kuala Lumpur.
• Tel: 1-300-88-2476 • Fax: 603-2691 7790 • Email : customer@agrobank.com.my
- If your query or complaint is not satisfactorily resolved by us, you may 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: 603-2174 1515 • Email : bnmtelelink@bnm.gov.my

14. Where can I get further information?

For further information or enquiries, please visit any nearby Agrobank branches or kindly contact us at:
Bangunan Agrobank, Leboh Pasar Besar, Peti Surat 10815, 50726 Kuala Lumpur.

- Tel: 1-300-88-2476 • Fax: 603-2691 7790 • Email: customer@agrobank.com.my

15. If customers are interested with this product, what other product that may be preferred / relevant to the customers?

- i. Modal Usahawan 1 Malaysia (MUS1M-i) Kontrak
- ii. Modal Usahawan 1 Malaysia (MUS1M-i) Alliance

OTHER INFORMATION

- The information provided in this Product Disclosure Sheet is valid as at date hereof.
- The customer is advised to carefully consider all risk factors before deciding to apply for the financing.
- Customer is required to reply to email, fax or any other medium of *akad* as advised by the Bank as a purchase and sale *akad* in order to complete the *Tawarruq* transaction.

IMPORTANT NOTE:

LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU FAIL TO KEEP UP PAYMENTS ON YOUR MUS1M-i (Normal) FINANCING.

Disclaimer:

The terms and conditions indicated in this Product Disclosure Sheet are tentative/indicative only and not binding on the Bank. The final terms and conditions are as stipulated in the Letter of Offer and Facility Agreement after credit assessment and financing approval.

The Personal Data Protection Act 2010 came into effect on 15 November 2013. Please visit our nearest branch or website www.agrobank.com.my if you have any enquiries.

I / We hereby accept and understand the contents of the above Product Disclosure Sheet as explanation given to me

/ us.

Signature	:	
Name	:	
NRIC	:	
Date	:	