

PRODUCT DISCLOSURE SHEET

Date : _____ (To be filled by Branches)

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

1. What is the product about?

Paddy-i is an uncollateralized financing to finance working capital for rice planting activities in a paddy field which is certified by related government agency.

2. What Shariah concept is 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 do I get from this product?

The features of this product as per below:

Financing Limit	<ul style="list-style-type: none">▪ Minimum : RM1,000▪ Maximum: RM50,000 (or by combination of aggregate financing Paddy- i & Paddy Cash- i financing)
Tenor	<ul style="list-style-type: none">▪ Minimum : Six (6) months▪ Maximum : Seasonal review, not exceeding five (5) years
Profit Rate	<ul style="list-style-type: none">▪ 3.25% fixed rate per season

4. What are my obligations?

- Payment is deducted directly from paddy subsidies of the customer and channelled to the Bank.
- If subsidies are not enough, the Bank is entitled to reimbursement from other sources.
- Customers are required to make mandatory savings in Bank every season (1.0% of total financing) and have to be maintained throughout the facility period.
- To execute *akad* in the *Tawarruq* transaction.

5. What are the fees and charges that I have to pay?

Type of Fees & Charges	Details of Fees & Charges																
Stamping Fees	As per the Stamp Act 1949 (Revised 1989).																
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%)																
Wakalah Fee	<p>Wakalah fee are based on the table below.</p> <table border="1"> <thead> <tr> <th>Total financing (RM)</th> <th>Fees charges (RM)</th> </tr> </thead> <tbody> <tr> <td>Up to 1,000.00</td> <td>10.00</td> </tr> <tr> <td>1,001.00 to 3,000.00</td> <td>15.00</td> </tr> <tr> <td>3,001.00 to 5,000.00</td> <td>20.00</td> </tr> <tr> <td>5,001.00 to 15,000.00</td> <td>30.00</td> </tr> <tr> <td>15,001.00 to 25,000.00</td> <td>35.00</td> </tr> <tr> <td>25,001.00 to 35,000.00</td> <td>45.00</td> </tr> <tr> <td>35,001.00 to 50,000.00</td> <td>50.00</td> </tr> </tbody> </table> <p>(<i>Wakalah</i> Fee will be added to <i>Tabung Khairat</i> for the benefit of customer in the event of death and taken every time a payment is made.)</p>	Total financing (RM)	Fees charges (RM)	Up to 1,000.00	10.00	1,001.00 to 3,000.00	15.00	3,001.00 to 5,000.00	20.00	5,001.00 to 15,000.00	30.00	15,001.00 to 25,000.00	35.00	25,001.00 to 35,000.00	45.00	35,001.00 to 50,000.00	50.00
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Note :

- The bank will notify at least 21 days' notice to customers 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.

6. 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, the 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 Shariah Committee Advisory resolution:
 - i. Prior maturity date, *Ta'widh* is charged at a rate of 1% per annum on the overdue amount calculated on a daily basis.
 - ii. Upon maturity date, *Ta'widh* is charged at the prevailing Islamic Interbank Money Market (IIMM) rate on the entire principal balance as determined by the Bank from time to time based on the guidelines issued by Bank Negara Malaysia Shariah Advisory Council's resolution.
- Legal action will be taken if the Customer fails to comply with the reminder notices issued by the Bank.

7. What if I fully settled 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' at Early Settlement = Deferred Profit – Early Settlement Charges

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

8. Do I need any Takaful coverage?

No. However, customer will be covered with "*Tabung Khairat*" in the event of death, *Tabung Khairat* will be used to settle your financing.

9. What are the major risks?

- In the event of a natural disaster or damage to crops and subsidies received are not sufficient to pay the financing, then the customer must make payment(s) using its own funds. Customer is not eligible for obtaining other financing without settling the current financing.
- If customer failed to reply to email, fax or any other mediums of *akad* as advised by the Bank, customer would be 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.

10. Do I need a guarantor or collateral?

No guarantor or collateral is required.

11. What should I do if there are changes to my contact details?

It is important for you to inform us of any changes in your contact details to ensure that all correspondences reach you in a timely manner. To update your contact details, you may contact:

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

12. Where can I get assistance and redress?

- If you have difficulties in making payments, please do not hesitate to contact us in advance to discuss alternatives payments. Please 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 Bank Negara Malaysia to provide free financial management services, credit counselling and debt restructuring for individuals. Please 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 make a complaint about the products or services provided by us, please 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 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

13. Where can I get further information?

For more information and inquiries, 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

14. Other similar products?

Nil.

OTHER INFORMATION

- The information provided in this Product Disclosure Sheet is valid as at date hereof.
- You are 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 PADDY-i FINANCING FACILITY.

Disclaimer:

The terms and conditions indicated in this Product Disclosure Sheet are tentative/ indicative only and are 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	:	