

**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 Agro Cash Line-*i* facility]**

**1. What is the product about?**

Agro Cash Line-*i* facility is a Shariah compliant overdraft facility to finance businesses that are based on agriculture and agro-based industry through AgroPerdana-*i* Account. Authorized use of this facility is up to the limit approved by the Bank.

**2. What Shariah concept is applicable?**

A *tawarruq* consists of two sale and purchase contracts. The first involves the sale of an asset by a seller to a purchaser on a deferred basis. Subsequently, the purchaser of the first sale will sell the same asset to a third party on a cash and spot basis. Via 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 with the 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 (*wakalah*) to sell the commodity to a third party at cost price, 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 is the benefit of this product?**

The benefit of this product as per below:

<b>Facility Tenure</b>	<ul style="list-style-type: none"> <li>▪ Minimum : 6 months</li> <li>▪ Maximum : 10 years</li> </ul>
<b>Rate</b>	<ul style="list-style-type: none"> <li>▪ <u>Ceiling Profit Rate (CPR)</u> BFR + 4% per annum or 10% per annum, whichever is higher for selling price calculation.</li> <li>▪ <u>Effective Profit Rate (EPR)</u> At current rate and not exceeding ceiling profit rate that is charged and calculated at daily rest.</li> </ul>
<b>Minimum Payment</b>	<ul style="list-style-type: none"> <li>▪ <u>During the term of facility</u> Make monthly profit payment in accordance with current usage amount and calculated based on Bank's current effective profit rate.</li> <li>▪ <u>During maturity period</u> Pay the balance of bank's selling price that is due.</li> </ul>

Note: Current Base Financing Rate (BFR) is 7.00% and will be determined by Agrobank from time to time.

**4. What are my obligations?**

- Make monthly minimum payment and pay the balance of selling price before or on the maturity date
- Any excess limit on the profit or principle need to be paid immediately. Principal will mature when the term ended unless the facility is renewed.
- Execute *akad* for Tawarruq transaction.

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

Type of Fees & Charges	Details of Fees & Charges
<b>Stamping Fees</b>	As per the Stamp Duty Act 1949 (Revised 1989).
<b>Legal Fee</b>	Include solicitor's fees for financing documentation, registration of charge, land search and bankruptcy search and others related charges.
<b>Brokerage Fee</b>	Brokerage Fee for each successful <i>Tawarruq</i> transaction are at RM15 for every RM1million of commodity purchase (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.

**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 at the Bank's loss due to Customer's default/ failure to pay the instalment amount, outstanding balance of Sale Price or any other amount due to the Bank shall be calculated from the payment overdue date until the settlement date based on the guidelines issued by Bank Negara Malaysia referring to the resolution of Shariah Advisory Council of Bank Negara Malaysia as follows:
  - Before maturity date, *Ta'widh* shall be imposed at one per centum (1%) per annum at overdue instalment amount to be calculated on a daily basis.
  - Upon maturity date, *Ta'widh* shall be imposed at the prevailing *Islamic Interbank Money Market* (IIMM) rate on the outstanding principal balance as fixed by the Bank from time to time based on the guidelines issued by Bank Negara Malaysia referring to the resolution of Shariah Advisory Council of Bank Negara Malaysia.
- Legal action will be taken if you fail to respond to reminder notice given 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):-

- Early settlement or early redemption or prepayments;
- Settlement of the financing due to restructuring exercise;
- 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 financing before maturity date;
- Settlement by the Customer in the event of termination or cancellation of financing before maturity date.

Rebate (*Ibra'*) will be calculated based on the following formula:

$$Ibra' \text{ at Early Settlement} = \text{Deferred Profit} - \text{Early Settlement Charges}$$
$$\text{Settlement Amount} = \text{Outstanding Selling Price} + \text{Instalments Due} + \text{Late Payment Charges (if any)} - Ibra'$$

#### **8. What are the major risks?**

If the customer does not respond to email, fax or any medium of *akad* advised by the Bank, customer will be exposed to the risk of not obtaining the financing as requested. As such, it is the customer's responsibility to answer the *akad* through any *akad* medium advised by the Bank.

#### **9. Do I need guarantor or collateral?**

- Yes, a guarantor or collateral that is acceptable by the Bank is required subject to Bank's current policy.

#### **10. 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 correspondence 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](mailto:customer@agrobank.com.my)

#### **11. 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](mailto: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 services on money management, credit counselling and debt restructuring for individuals. You can 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](mailto:enquiry@akpk.org.my)
- If you have any 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](mailto: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](mailto:bnmtelelink@bnm.gov.my)

**12. Where can I get further information?**

For further information and any 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](mailto:customer@agrobank.com.my)

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

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 mediums 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 AGRO CASH LINE-*i* FINANCING FACILITY.**

**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](http://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	:	