

PRODUCT DISCLOSURE SHEET

Date : _____ (To be filled by Branches)

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

Kindly seek clarification from Agrobank ('Bank') if you do not understand any part of this document or the general terms and conditions.

1. What is this product about?

Hartani-i provides financing facility to the Government Servant or Private Sector Employees and Stable Income Earner for the purpose of purchasing an agriculture land. Purchase of land includes directly purchase from the vendor or through public auction by (the Bank or other financial institutions. The Bank will only consider the financing if the land to be purchased has the individual title or the land has been sub-divided and/or the land which individual title is to be issued.

2. What is the Shariah concept 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. Through this financing, the Bank will buy the commodity (a prepaid credit or any other commodity as advised by the commodity) from the Commodity Broker 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 (*wakalah*) 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 benefits of this product?

The benefits of this product are as per below:

Financing Limit	<ul style="list-style-type: none"> ▪ Margin of financing up to 90% based on applicant's eligibility limit.
Financing Tenure	<ul style="list-style-type: none"> ▪ Maximum financing period is 240 months (20 years) or until the age of 60 years on the maturity date of the financing (whichever is earlier).
Rates	<ul style="list-style-type: none"> ▪ <u>Profit Rate</u> From Standardised Base Rate (SBR) + 4.70% per annum on monthly rest basis *Subject to Margin of Financing and customer's credit evaluation ▪ <u>Ceiling Profit Rate (CPR)</u> SBR + 7.75% p.a. or 10% p.a.; whichever is higher for the calculation of Sale Price ▪ <u>Effective Profit Rate (EPR)</u> At the current rate and did not exceed the ceiling profit rate charged and is calculated on a monthly balance ▪ Note : Current Standardised Base Rate (SBR) is at 2.25%

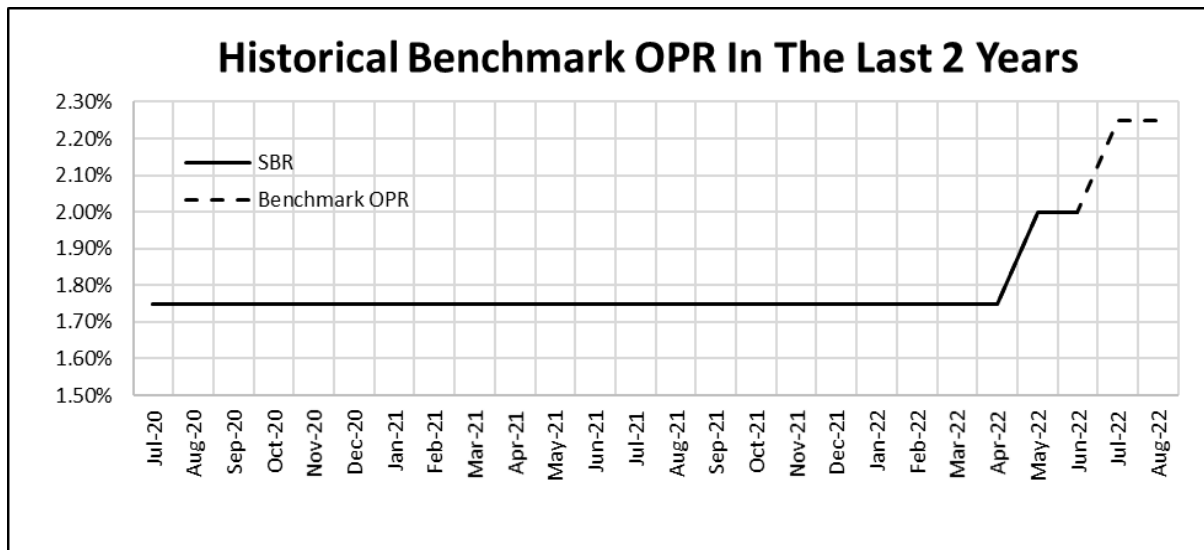
4. What is the Standardised Base Rate (SBR)?

The SBR we offer on this product is based on the benchmark rate specified by Bank Negara Malaysia (BNM). The benchmark rate is currently set as Overnight Policy Rate (OPR), which reflects the monetary policy stance as decided by the Monetary Policy Committee of BNM.

5. What are possible scenarios to trigger a change in the SBR?

The SBR can rise or fall due to changes in the benchmark rate, i.e. changes in the Overnight Policy Rate (OPR).

6. Historical benchmark OPR in the last two (2) years



7. What are my obligations?

Customers are required to pay the following: -

- a. Make a payment of monthly instalment amount on or before 1st of each month upon full disbursement of the facility or expiry of grace period (if any)
- b. Payment of Takaful contributions
- c. Other payments related to the financing which the Bank shall notify the customer of such payments, if any.

Your monthly instalment:

_____ - _____ months: RM _____ and
_____ month: RM _____

The total payment amount at the end of _____ years is RM _____

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

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

Note:

- i. 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.
 - ii. 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.
- Execute *akad* for *Tawarruq* transaction

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

Fees and Charges	Details of Fees and Charges
Stamping Fees	As per the Stamp Act 1949 (Revised 1989).
Legal & Disbursement Fees	Include solicitor's fees for financing documentation, registration of charge, land search and bankruptcy search.
Brokerage Fee	RM 15.00 per transaction

Note:

- The Bank from time to time will notify at least 21 days' notice before any changes made to the fees and charges (if applicable).
- Fee and charges are subject to Sales and Service Tax ("SST") of 6% (if applicable).

9. 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 BNM as follows:
 - i. Before maturity date, the *Ta'widh* shall be compensated up to the amount of actual loss and shall not be more than 1% per annum.
 - ii. Upon maturity date and judgement obtained, *Ta'widh* shall be imposed at the prevailing Islamic Interbank Money Market rate on the entire outstanding balance as determined by the Bank from time to time based on the guidelines issued by BNM.
- The Bank reserves the right to take legal action if the customer fails to comply with the notice(s) issued by the Bank.

- The Bank reserved the right to review and terminate the facility granted to the Customer by giving prior notice to the Customer upon occurrence of any event of defaults as agreed in the terms and conditions of the facility.

10. 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: -

- Early settlement or early redemption or prepayments;
- Settlement of the financing due to restructuring exercise;
- Settlement by the Customer in the case of default where 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:

$$Ibra' \text{ at Early Settlement} = \text{Deferred Profit}$$

11. Do I need any Takaful coverage?

Customer is encourage to take Takaful Credit Scheme to secure the indebtedness amount under the financing. However, customers are allowed to choose non-panel takaful provider approved by the Bank. The takaful protection plan is necessary to cover your outstanding financing and / or term of coverage in the event of any unfortunate circumstances.

12. What are the major risks?

- In the event of customer failed to settle the outstanding amount of financing, Bank has the right to take or foreclose or sell the project site (land) which has been charged together with any additional collateral (land) or the Bank has the right to take legal action against the customer and/or guarantor.
- If the customer fails to reply to SMS or any other medium of *akad* as advised by the Bank, customer shall be at the risk of not obtaining the financing as per requested. Thus, it shall be customer's responsibility to response to the *akad* via medium of *akad* as advised by the Bank.

13. Do I need a guarantor or collateral?

Yes. A land shall be taken as collateral. However, if the collateral value is insufficient, additional collateral shall be taken and/ or the customer shall provide a guarantor.

14. 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: 03-26922053
- Email: customer@agrobank.com.my

15. 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 payment. You can contact us at:

Agrobank, Bangunan Agrobank, Leboh Pasar Besar, 50726 Kuala Lumpur.

- Tel: 1-300-88-2476 • Fax: 03-26922053 • Email: customer@agrobank.com.my

- Alternatively, you may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by BNM to provide free financial management services credit counselling and debt restructuring for individuals. You are encouraged to attend a "Program Pengurusan Wang Ringgit Anda" or "POWER" offered by AKPK.

Please contact AKPK at:

- Agensi Kaunseling dan Pengurusan Kredit (AKPK)
Tingkat 5 & 6, Menara Bumiputra-Commerce, Jalan Raja Laut, 50350 Kuala Lumpur
- Tel: 03-26167766
- Email: enquiry@akpk.org.my
- If you wish to make a complaint about the products or services provided by us, please contact us at:
Agrobank, Client Relationship Management, Corporate Communications Department, Bangunan Agrobank, Leboh Pasar Besar, Peti Surat 10815, 50726 Kuala Lumpur.
- Tel: 1-300-88-2476 • Fax: 03-26922053 • 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

16. Where can I get further information?

For more information or inquiries, please visit any nearby Agrobank branches or kindly contact us at:
Bangunan Agrobank, Leboh Pasar Besar, 50726 Kuala Lumpur.

- Tel: 1-300-88-2476 • Fax: 03-26922053 • Email: customer@agrobank.com.my

17. 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.
- Customers are advised to carefully consider all risk factors before deciding to apply for the financing.
- Customer is required to reply to SMS or any other mediums of *akad* as advised by the Bank as a sale and purchase *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 HARTANI-I FINANCING.

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 as stipulated in the Letter of Offer and Facility Agreement after credit assessment and financing approval.

Please note that all information disclosed under this document shall be processed in accordance with the relevant laws, including the Personal Data Protection Act 2010. Please read our Please read our PDPA Policy which is available at our website at www.agrobank.com.my or you may visit our nearest branch if you have any enquiry.

I / We hereby accept and understand the contents of the above Product Disclosure Sheet as explanation given to me / us.		
Signature	:	
Name	:	
NRIC	:	
Date	:	