

PROGRAM DISCLOSURE SHEET

Dear Customer,

This Program Disclosure Sheet (PDS) contains important information regarding Oil Palm Smallholder Replanting Financing Incentive Scheme 2.0 ("TSPKS 2.0").

Other customers have read this PDS and found it helpful; you should read it too.



Date: _____

1. What is the TSPKS 2.0 Financing Incentive Scheme Program?

- The TSPKS 2.0 Financing Incentive Scheme is specifically introduced for oil palm replanting activities, targeting oil palm growers, particularly independent smallholders.
- Under this scheme, the funds provided consist of a grant component (50%) and the remaining portion in the form of financing (50%) for independent smallholders.
- This Scheme adopts Tawarruq concept which consists of two (2) sale and purchase contracts. The first contract involves the sale of an Asset (commodity) by a Seller to a Purchaser on a deferred payment basis. Subsequently, the Purchaser of the first sale transaction will sell the same Asset (commodity) to a Third Party in cash and on spot basis.
- Through Tawarruq arrangement, the Bank will buy the Asset (commodity) from the Commodity Supplier with the Cost Price (equivalent to the approved financing amount). Subsequently the Bank sells the Asset (commodity) to the Customer based on Murabahah concept (Cost Price plus Profit) on a deferred payment basis. Next, the Bank (acting as Customer's Agent) will sell the Asset (commodity) to a Third Party at Cost Price, in cash and on spot basis. Proceeds of sales shall constitute the disbursement of the Facility to or for the benefit of the Customer.

2. Know Your Obligations

Criteria for this program scheme, **as an illustration:**

- Your financing amount:
 - Peninsular Malaysia:
Up to RM14,000/hectare*
 - East Malaysia (Sabah & Sarawak):
Up to RM18,000/hectare*
- Your financing tenure: **Up to 144 months (12 years).**
- The grace period for the principal financing payment is **up to 48 months.**
- Effective Profit Rate: **2% p.a.** calculated based on monthly balance.
- Ta'widi Charge: **1% p.a.** on the outstanding amount.

**Subject to Terms and Conditions*

It is your responsibility to:



Read and understand the **key terms** in the **contract** before you sign it.



Pay your financing before the maturity date according to the financing terms.



Contact us immediately, if you are unable to pay your commitment.

You have to pay the following fees and charges:

- Stamp Duty Fees: As stipulated in the Stamp Act 1949.
- Legal & Disbursement Charges: Including legal fees for financing documentation, registration of charge, land search, bankruptcy search, winding-up search and other relevant charges (if applicable).
- Takaful Contributions: Depending on the amount of coverage taken for the financing.
- Brokerage Fee: RM7 for every RM1,000,000.00 of commodity purchasing amount.

If you wish to settle your financing early, you should know:

- Rebate (Ibra') shall be granted to you based on the formula set out below, in the event of any of the following scenarios:
 - 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 financing before maturity date.
 - iv. 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:

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

3. Know Your Risks

What happens if you ignore your obligations?

1. You'll **pay more in total** due to Ta'widh charges.
2. The Bank may **deduct money** from your Agrobank's savings account to offset your outstanding financing balance.
3. Bank may **take legal action** against you.
4. Your **credit score may be affected**, making future credit application more difficult to obtain or resulting in higher costs for you.

4. Other Key Terms

1. It is important that you inform us of any change in your contact details to ensure that all correspondence reaches you in a timely manner.
2. You are encouraged to take Takaful Credit Scheme to protect the indebtedness amount under the financing. However, you are allowed to choose non-panel takaful providers approved by the Bank. A takaful protection plan is to protect your outstanding financing balance throughout the financing period and / or term of coverage in the event of any unforeseen circumstances.

If you have any questions or require assistance on your program financing, you can:



Call

1-300-88-2476



Visit

<https://www.agrobank.com.my>



Email

customer@agrobank.com.my



Scan the QR
code above

Customer's Acknowledgment*

Kindly ensure you fill in this section yourself and are aware of what you are placing your signature for.

- ☐ I acknowledge that Agrobank has provided me with a copy of the PDS.
- ☐ I have read and understood the key information contained in this PDS.

**A customer's acknowledgement of this PDS shall not prejudice his / her rights to seek redress in the event of subsequent dispute over the program terms and conditions.*

Name:

Date: