

Read this Product Disclosure Sheet before you decide to subscribe to this product. Be sure to also read the terms in the Letter of Offer. Seek clarification from our officers if you do not understand any part of this document or the terms.

## Personal Financing-i (Fixed Rate)

Date: \_\_\_\_\_

### 1. What is this product about?

Bank Islam Personal Financing-i facility is a secured/non-secured term financing to meet personal financial needs which is calculated based on fixed rate.

### 2. What is the Shariah concept applicable?

- This financing is applying the Shariah concept of Tawarruq.
- 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
- The mechanism of Tawarruq for this product is as follows:
  - (a) The customer purchases the commodity from the Bank on Murabahah (cost plus sale) basis at the Bank's Sale Price. In this arrangement, the purchase will be performed by the Bank as the customer's Purchase Agent.
  - (b) As the Sale Agent for the customer, the Bank shall then sell the commodity to a Commodity Purchaser at cost price. Proceeds from the transaction will be disbursed for customer's utilization.
  - (c) The customer is obliged to pay the amount due from the Murabahah transaction as per the agreed terms.
- "Commodity" means any commodity acceptable to the Bank e.g. palm oil, plastic resin, rubber, cocoa beans, soy beans, timber and metal (excluding gold and silver) traded at any commodity trading platform approved by the Bank. The purchase and sale of the commodity are performed based on the customer's mandate, where Bank as the Purchase and Sale Agent trades the commodity as made available and provided by commodity providers subject to the Bank's prevailing policies.

### 3. What do I get from this product?

Financing Amount	<ul style="list-style-type: none"> <li>• Minimum: RM10,000.00</li> <li>• Maximum RM400,000.00 (without collateral) or more (with collateral)</li> </ul> <p>* Note: The final financing amount approved will be based on the Bank's credit evaluation.</p>
Financing Tenure	Maximum 10 years or up to 60 years old, whichever earlier.
Bank's Sale Price	Financing Amount + Total Profit
Profit Rate	<ul style="list-style-type: none"> <li>• Profit rate under Special Financing Programme                             <ul style="list-style-type: none"> <li>➢ X.XX% p.a.</li> </ul> </li> <li>• Profit rate upon exiting Special Financing Programme                             <ul style="list-style-type: none"> <li>➢ X.XX% p.a.</li> </ul> </li> </ul> <p>* Note:</p> <ol style="list-style-type: none"> <li>1. Formula of Total Profit = Financing Amount x Profit Rate x Financing Tenure (in years);</li> <li>2. Profit is calculated on a monthly basis based on "Sum of Digit";</li> <li>3. Special Financing Programme refers to Bank Islam Personal Financing Package and selected Programme.</li> </ol>

### 4. What are my obligations?

Below is the illustration:

Financing Amount	RM100,000
Tenure in Years	10 years
Profit Rate	5.5% (fixed rate)

Monthly Instalment Calculation	<p>Monthly instalment is calculated in accordance to the following formula:  <math>((P \times R \times T) + P) / t</math>, where:</p> <p>P = Financing Amount approved  R = Profit Rate per annum  T = Financing Tenure (in years)  t = Financing Tenure (in months)</p>
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- Important: Your monthly instalment and total payment amount remains unchanged throughout the financing tenure as per illustration below:

Description	Today 5.5% (fixed rate)
Monthly instalment amount	RM1,291.66
Final monthly instalment amount	RM1,292.46
Total profit cost at the end of 10 years	RM55,000.00
Total payment amount at the end of 10 years	RM155,000.00

- You are required to settle all monthly instalment as per stated in the Letter of Offer through Salary Deduction by the employer, Salary Transfer with Automatic Fund Transfer or Standing Instruction upon disbursement being made until full settlement of the financing account.
- In the event where the Salary Deduction made by the employer has not yet commenced, you are responsible to pay the monthly instalment in a timely manner and shall be paid as per specified in the Letter of Offer.
- At the maturity of the financing facility, you shall pay the outstanding balance in full or Bank Islam may at its consideration grant an extension to the financing tenure to facilitate settlement via monthly payment of an agreed amount. If the financing tenure accorded is extended beyond the retirement age, you remain obliged to pay the monthly payment. However, you may opt at any time to fully settle the financing facility upon reaching retirement age.

#### 5. What other charges do I have to pay?

No.	Type of Charge	Charge Amount and Detail
i.	Stamp Duty	As per Stamp Duty Act 1949 (Revised 1989)
ii.	Wakalah (Agency) Fee	RM50

#### **Cancellation of the facility**

You have to pay the above costs inclusive of all other costs that has been incurred by the Bank (if any) for the preparation and registration of security documents in connection with the facility including the expenses incurred during the claim process whenever this facility is cancelled.

#### 6. Does the Bank require advance payment?

No. Bank Islam does not require any advance payment.

#### 7. What if I fail to fulfil my obligations?

- Compensation charge (Ta`widh) due to late payment will be imposed as follows:

<b>Before Maturity of Facility</b>	A sum equivalent to one per cent (1%) per annum on overdue instalments until the date of full settlement.
<b>After Maturity of Facility</b>	A sum equivalent to the prevailing daily overnight Islamic Interbank Money Market (IIMM) rate on outstanding balance i.e. outstanding Sale Price less rebate (Ibra'), if any.
<b>Post Judgement Debt</b>	A sum equivalent to the prevailing daily overnight Islamic IIMM rate on basic judgment sum calculated from judgment date until the date of full settlement.

**Note:** The imposition of Ta`widh shall be in such manner as approved by BNM from time to time.

- Upon default:
  - i. The Bank may by written notice to you, demand for immediate payment of amount overdue from you and/or the guarantor;
  - ii. The Bank has the right to set off your deposit or any other account(s) maintained with the Bank towards settlement of overdue payment under this facilities granted by the Bank;
  - iii. The Bank has the right to take legal action against you if you fail to response to the reminder notices. The Bank shall exercise its right on any security pledged with the Bank and you are to bear all the cost involved. You are also responsible to settle any shortfall. Legal action against you may affect your credit rating leading to any future credit assessment being more difficult or expensive to you; and
  - iv. Cross default of other facilities with the Bank may be triggered.

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

- There is no 'lock in period' for this facility and the Bank shall grant Ibra' on the Deferred Profit after full settlement is made.
- The Ibra' formula is as below:

Ibra' (rebate) on early settlement = Deferred Profit

**Note:**

- i.  $Deferred\ Profit = Total\ Contracted\ Profit - Accrued\ Profit.$
- ii.  $Total\ Contracted\ Profit = Sale\ Price - Purchase\ Price\ (or\ Financing\ Amount).$
- iii. *Accrued Profit is calculated based on EPR of the outstanding Purchase Price (or Financing Amount) being disbursed (or utilised).*

## 9. Do I need any Takaful coverage?

- It is optional, however you are advised to subscribe to Personal Financing Takaful Plan (PFTP) from Syarikat Takaful Malaysia Berhad or any other Takaful operator which is operating in Malaysia for the coverage protection against death or total permanent disability.
- For your own convenience, PFTP is currently made available by the Takaful provider approved by Bank Islam.

## 10. Do I need a guarantor or collateral?

Bank Islam may require a guarantor(s) or collateral(s) should the minimum credit requirement is not met.

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

It is important that you 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 inform us in writing or visit the nearest Bank Islam Branch.

## 12. Where can I get assistance and redress?

If you have difficulties in servicing the monthly instalment, you should contact us at the earliest possible to discuss on the payment options at:

**Contact Centre & Customer Care**  
**Bank Islam Malaysia Berhad**  
 17<sup>th</sup> Floor, Menara Bank Islam  
 No. 22, Jalan Perak  
 50450 Kuala Lumpur  
 Tel: 03 2690 0900  
 Fax: 03 2782 1337  
 Email: [contactcentre@bankislam.com.my](mailto:contactcentre@bankislam.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:

**5<sup>th</sup> and 6<sup>th</sup> Floor,**  
**Menara Bumiputra Commerce**  
 Jalan Raja Laut,  
 50350 Kuala Lumpur.  
 Tel: 03 2616 7766  
 Fax: 03 2616 7601  
 Website: [www.akpk.org.my](http://www.akpk.org.my)

If you wish to complaint on the products or services provided by us, you may contact us at:

**Contact Centre & Customer Care**  
**Bank Islam Malaysia Berhad**  
 17<sup>th</sup> Floor, Menara Bank Islam  
 No. 22, Jalan Perak  
 50450 Kuala Lumpur  
 Tel: 03 2690 0900  
 Fax: 03 2782 1352  
 Email: [customercare@bankislam.com.my](mailto:customercare@bankislam.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: 03 2174 1515  
 Email: [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)

<b>13. Where can I get further information?</b>
Should you require additional information about Personal Financing-i product, please refer to the nearest Bank Islam branches available nationwide or visit Bank Islam website at <a href="http://www.bankislam.com">www.bankislam.com</a> .
<b>14. Other Personal Financing-i package available?</b>
<ul style="list-style-type: none"> <li>Personal Financing-i on floating rate.</li> </ul>
<b>IMPORTANT NOTE: LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DO NOT KEEP PAYING INSTALMENTS OF YOUR PERSONAL FINANCING-i FACILITY</b>

**Note:**  
 1. The above is for illustration purposes only. Profit and charges may vary and subject to the Bank's terms and conditions.  
 2. All information provided in this Product Disclosure Sheet is valid with effect from 01 May 2024.

Acknowledge receipt by customer,

.....  
 Name:  
 Identification Card No.:  
 Date:

<b>IMPORTANT: DECLARATION FOR PERSONAL FINANCING-i APPLICATION FOR THE PURPOSE OF HOUSE RENOVATION OR BUSINESS.</b>
I, the undersigned customer, affirm that I have been briefed by designated sales personnel concerning the application of the Personal Financing-i product for the purpose of house renovation or business.
I am fully aware that there is/are other Bank Islam product(s) that is/are more suitable for house renovation or business purpose. I fully understand that applying Personal Financing-i for the said purpose may cause higher financing cost instead of applying for other Bank Islam product(s). I hereby affirmed to proceed with my application of Personal Financing-i product.
In addition to the financing options mentioned above, I'm aware that Bank Islam offers a variety of other financing products that could potentially meet my needs. I have explored the comprehensive details in Bank Islam Corporate website.

Acknowledgment of statement above by customer,

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 Name:  
 Identification Card No.:  
 Date: