

PRODUCT DISCLOSURE SHEET



Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information on **Hong Leong Commodity Murabahah Term Financing-i (CMTF-i) facility**.

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

Date: _____

① What is Hong Leong Commodity Murabahah Term Financing-i (CMTF-i)?

CMTF-i is a one-off basis non-revolving Islamic financing facility which complies with Shariah principles that has a predetermined maturity date and payment schedule. The facility can be used for asset financing such as purchase of properties or machineries, working capital financing. CMTF-i is a fixed rate financing and can also be offered on a multiple tier (level) profit rate. Under this product, the profit rate offered to the Customer at the point of approval remains the same throughout the financing tenure. The Shariah contract used is *Tawarruq*, which refers to two sale and purchase contracts. The first involves the sale of an asset by the Bank to the Customer on a deferred basis. Subsequently, the Customer will sell the same asset to a third party to obtain cash.

② Know Your Obligations

What do I get from this product?

- Margin of Financing (MOF) offered will depend on the purpose of financing. Typically, for property financing the MOF is up to 80%.
- Profit Rate (PR) charges will depend on the purpose of financing and is fixed at the point of issuance of Letter of Offer.
- Financing tenure differs with the purpose of financing. Generally, the financing tenure ranges from 5 years to 15 years

For this financing, as an illustration:

Facility Amount/Limit (Commodity Purchase Price)	:	RM 1,000,000.00
Financing Tenure	:	180 months
Profit Rate (Fixed)	:	4.70% p.a.
Payment Amount (on PR per month)	:	RM 7,753.00
Total Profit	:	RM 395,540.00
Commodity Sale Price	:	RM 1,395,540.00

It is your responsibility to:



Read and understand the final terms and conditions in the letter of offer and/or facility agreement before you sign it.



Pay your instalment timely. Ensure all financing is fully settled on or before the maturity date. Speak to us if you wish to settle your financing earlier.



Contact us immediately if you are unable to pay your instalment and/or if you change your contact details.



Fees and Charges: For a full list of fees and charges, please visit our website

<https://www.hlisb.com.my/en/personal-i/help-support/fees-and-charges/bcb-financing.html> or scan the QR.

No.	Payment Commence 1st of the following month	Billed Profit	Principal Paid	Remaining Unearned	Principal Balance O/S	Current Outstanding Balance	Next Payment Due Date	Profit Rate
0				395,540.00	1,000,000.00	1,395,540.00	1-Mar-18	
1	7,753.00	3,991.87	3,761.13	391,548.13	996,238.87	1,387,787.00	01-Apr-18	4.70%
2	7,753.00	3,848.40	3,904.60	387,699.73	992,334.27	1,380,034.00	01-May-18	4.70%
3	7,753.00	3,961.18	3,791.82	383,738.55	988,542.45	1,372,281.00	01-Jun-18	4.70%
:	:	:	:	:	:	:	:	
174	7,753.00	215.45	7,537.55	60.17	46,457.83	46,518.00	01-Sep-32	4.70%
175	7,753.00	60.17	7,692.83	0.00	38,765.00	38,765.00	01-Oct-32	4.70%
176	7,753.00	0.00	7,753.00	0.00	31,012.00	31,012.00	01-Nov-32	4.70%
177	7,753.00	0.00	7,753.00	0.00	23,259.00	23,259.00	01-Dec-32	4.70%
178	7,753.00	0.00	7,753.00	0.00	15,506.00	15,506.00	01-Jan-33	4.70%
179	7,753.00	0.00	7,753.00	0.00	7,753.00	7,753.00	01-Feb-33	4.70%
180	7,753.00*	0.00	7,753.00	0.00	0.00	0.00	01-Mar-33	4.70%

* The final payment amount may be varied to fully settle all amount outstanding.

Note: Please note the above rates and tenure are indicative only. The final approved amount of your financing, tenure and effective profit rate is subject to the Bank's offer and may differ from the above. For actual details of Facility offered, please refer to letter of offer/ facility agreement.

③ Know Your Risks

What happens if you fail to pay your monthly instalments?

1. You will **pay more in total** due to compensation charges (Ta'widh), if you default on your payment. Compensation charges:
 - a) For payment default during the Facility Tenure = Up to 1% p.a on the overdue amount.
 - b) For default causing the Facility to be terminated or brought to court = Up to 1.0% p.a on outstanding balance (outstanding principal plus accrued profit).
 - c) For default in payment after the expiry of Facility Tenure = BNM's prevailing daily overnight Islamic Interbank Money Market ("IIMM") rate on the outstanding balance (outstanding principal plus accrued profit).
 - d) For default payment after court judgement = BNM's prevailing daily overnight IIMM rate on the basic judgment sum.
2. We may **deduct** money deposit-i accounts you have with us to set-off your financing balance subject to issuance of seven (7) days prior written notice to you by the Bank.
3. We may **foreclose your property** or **take legal action** against you, when you fail to respond to reminder notices given by the Bank and you will have to bear all the costs including any shortfall, after your asset has been sold.
4. Your **credit score** may be affected leading to credit being more difficult or expensive to you.

④ Other Key Terms

Lock-in period: As per Letter of Offer (if any). To start from 1st release date.

Takaful Coverage: The following takaful coverage are recommended/required to be taken:

- Mortgage Reducing Term Takaful (MRTT) or any equivalent takaful certificates policies to cover the company in the event of death or permanent disability of the customer or key men of the company (if applicable)
- Fire takaful if property is given as security for the financing (**compulsory**)

Early Settlement: The Bank undertakes to grant you rebate at the point of early settlement. The rebate shall be calculated in the following formula:

$$\text{Rebate on early settlement} = \text{Remaining Unearned} - \text{*Early Settlement Fee (if any)}$$

Note:

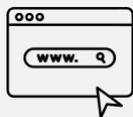
- (a) Remaining Unearned = Total Profit – Accrued Profit
- (b) Total Profit = Selling Price – Financing Amount
- (c) Accrued Profit is calculated based on Effective Profit Rate on the outstanding Financing Amount being disbursed

**For any actual cost incurred by the Bank e.g. discounted rate, legal fees, disbursement fees, stamp duty and valuation fees.*

If you have any questions or require assistance, you can:



Call us at:
03-7661 7777



Visit us at:
www.hlisb.com.my/bcbi



Email us at:
SME@hbb.hongleong.com.my



Scan the QR for more
information

Alternatively, you may seek the services of:

Khidmat Nasihat Pembiayaan (KNP) at MyKNP@CGC
Advisory Unit under CGC (for SMEs) at:
Tel: 03 – 7880 0088
E-mail: myknp@cgc.com.my
Website: <https://www.bnm.gov.my/MvKNP>

Agensi Kaunseling dan Pengurusan Kredit (AKPK),
(for SME & individuals):
Tel: 03 – 2616 7766
E-mail: enquiry@akpk.org.my
Website: <https://www.akpk.org.my/smehelpdesk>

If you wish to make a complaint to the Bank and to make complain if your problem / query is not satisfactorily resolved by the Bank, you may contact:

Customer Advocacy
Tel: 03-7626 8821
E-mail: customerservice@hbb.hongleong.com.my

Bank Negara Malaysia Link (BNMLINK)
Tel: 1-300-88-5465
Website: [bnm.gov.my/BNMLINK](https://www.bnm.gov.my/BNMLINK)