



<p>PRODUCT DISCLOSURE SHEET</p> <p>(Read this Product Disclosure Sheet before you decide to take up the Accepted Bills-i (AB-i) (Sales). Be sure to also read the <u>general terms in the letter of offer</u>. Seek clarification from the Bank if you do not understand any part of this document or the general terms.)</p>	<p>PUBLIC ISLAMIC BANK BERHAD 197301001433 (14328-V)</p> <p>ACCEPTED BILLS-i (AB-i) (Sales)</p> <p>DATE:</p>																
<p>1. What is the product about?</p> <ul style="list-style-type: none"> AB-i (Sales) is a bill of exchange drawn by the exporter/seller (customer) on and accepted by the accepting bank in Malaysia based on the Shariah principle of Bai' Al Dayn (Debt Trading). AB-i (Sales) is to finance genuine trade related sales of goods, evidenced by proper and adequate documentation. AB-i (Sales) is governed by BNM's Guidelines on Accepted Bills-i. 																	
<p>2. What is the Shariah concept applicable?</p> <ul style="list-style-type: none"> Bai' Al Dayn - Sales of debt arising from trade and service transaction in the form of a deferred payment. Your debt/receivables arising from such transactions will be sold to the bank at an agreed discounted amount which will be paid by the bank on an immediate basis. Wa'd - A unilateral promise which refers to an expression of commitment given by one party to another to perform certain action(s) in the future. 																	
<p>3. What do I get from this product?</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-bottom: 10px;"> <tr> <td style="width: 30%; padding: 5px;">Facility Amount/Limit</td> <td style="padding: 5px;">Minimum financing is set at RM50,000 and the amount of financing approved is based on customer's credit rating</td> </tr> <tr> <td style="padding: 5px;">Financing Tenure</td> <td style="padding: 5px;">Maximum of 180 days</td> </tr> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="padding: 5px;">Trade Bills - AB-i (Sales)</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Facility Amount/Limit</td> <td style="padding: 5px;">: RM_____</td> </tr> <tr> <td style="padding: 5px;">Commission* Rate for AB-i (Sales) - Local</td> <td style="padding: 5px;">: _____% per annum</td> </tr> <tr> <td style="padding: 5px;">Profit Rate for AB-i (Sales) - Local</td> <td style="padding: 5px;">: Subject to the prevailing Islamic Cost of Fund which is determined on the day of financing</td> </tr> <tr> <td style="padding: 5px;">Commission* Rate for AB-i (Sales) - Foreign</td> <td style="padding: 5px;">: _____% per annum</td> </tr> <tr> <td style="padding: 5px;">Profit Rate for AB-i (Sales) - Foreign</td> <td style="padding: 5px;">: Subject to the prevailing Islamic Cost of Fund which is determined on the day of financing</td> </tr> </tbody> </table> <p style="margin-left: 20px;">*Subject to the customer's credit rating.</p>		Facility Amount/Limit	Minimum financing is set at RM50,000 and the amount of financing approved is based on customer's credit rating	Financing Tenure	Maximum of 180 days	Trade Bills - AB-i (Sales)		Facility Amount/Limit	: RM_____	Commission* Rate for AB-i (Sales) - Local	: _____% per annum	Profit Rate for AB-i (Sales) - Local	: Subject to the prevailing Islamic Cost of Fund which is determined on the day of financing	Commission* Rate for AB-i (Sales) - Foreign	: _____% per annum	Profit Rate for AB-i (Sales) - Foreign	: Subject to the prevailing Islamic Cost of Fund which is determined on the day of financing
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<p>4. What are my obligations?</p> <ul style="list-style-type: none"> AB-i (Sales) is payable on maturity. Total amount you must pay back is inclusive of charges. 																	



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

Pricing and Stamp Duty	Amount (RM)
Profit Rate	Subject to the prevailing Islamic Cost of Fund which is determined on the day of financing
Commission* <ul style="list-style-type: none"> • Local • Foreign *Subject to the customer's credit rating.	1.25% 1.00%
Stamp duty <ul style="list-style-type: none"> • Master Facility Agreement • Other Security Document <ul style="list-style-type: none"> ✓ Letter of Offer ✓ Charge Annexure (With Title, if applicable) ✓ Deed of Assignment (Without Title, if applicable) ✓ Letter of Guarantee/Letter of Set Off (if applicable) 	Ad valorem 10.00 10.00 10.00 10.00

For full list of fees and charges, please visit our website at www.publicislamicbank.com.my.

6. What if I fail to fulfil my obligations?

6.1 Unless otherwise stipulated under the respective type of facility, in the event of default the Bank reserves the right to impose the following:

- a) For failure to pay any instalments and which failure continues beyond the maturity date of the Financing Tenure or upon judgement, whichever earlier, the compensation rate that shall be applied is the *ta'widh* (the amount that may be compensated to the Bank based on the actual loss incurred due to default) where the *ta'widh* rate is equivalent to the prevailing daily overnight Islamic Interbank Money Market (IIMM) rate on the outstanding balance or any such rate as approved by Bank Negara Malaysia.

The formula for late payment charge after maturity is as follows:

$$\frac{\text{Outstanding Balance} \times \text{IIMM Rate} \times \text{No. of Overdue Day(s)}}{365}$$

- b) The Bank shall not compound the compensation payable to the principal amount/financing amount.

6.2 The Bank has the right at any time without notice to you to debit your current/savings account with us towards payment of the monthly payment of the financing and any other charges and/or fees incurred in the granting of the financing including Takaful contribution, quit rent, assessment, cost of an updated/revised valuation reports, fees for searches, legal fees for preparation and perfection of security documents by Bank's solicitors, legal costs incurred in relation to enforcement of security/recovery cost and any other cost or expenses incidental thereto.

6.3 If the financing tenure extends into retirement, you are to advise us on your plans to service the monthly payment after your retirement.



6. What if I fail to fulfil my obligations?, cont.

- 6.4 You are to furnish us all relevant information regarding financing taken from all financial institutions, cooperatives, building societies, credit companies and merchants that provide credit sales etc. and to fully and accurately disclose material information that has a bearing on our financing decision. Failure by you to disclose essential and correct information in the financing application as well as the consequences of providing incomplete or incorrect information may lead to a higher financing rate or rejection of your financing application.
- 6.5 Legal action will be taken if you fail to respond to reminder notices. Your property may be foreclosed and you will have to bear all legal costs. You are also responsible to settle any shortfall after your property is sold.
- 6.6 Legal action against you may affect your credit rating leading to financing being more difficult or expensive to you.
- 6.7 Under specific circumstances where the customer is not contactable, the Bank's obligation is considered to be fulfilled if such notice has been sent to the last known address of the customer at least seven (7) calendar days in advance.

7. What are the major risks?

- If you fail to settle the matured AB-i (Sales), you are not allowed to further utilize the facility and the recovery process may include legal process which would be taken against you to recover the amount due. If you have problems meeting your payment obligations, contact us early to discuss payment alternatives.

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

- Rebate (Ibra') refers to an act by a person relinquishing his rights to collect payment due from another person. The Bank may grant rebate (ibra') to customers of a sale based financing who settled their facility prior to the agreed settlement period as stipulated in the agreement.
- Early settlement is not allowed under this facility unless the Accepting Bank is the bearer of the said AB-i (Sales) and the AB-i (Sales) has not been resold by the Accepting Bank in the secondary market.
- Once the AB-i (Sales) has been early settled, the AB-i (Sales) shall be liquidated, and the obligation of the Accepting Bank, the endorsers (if any) and the drawer shall be discharged.

Calculation example:

$$\begin{aligned} \text{Rebate (Ibra')} &= \text{Face value amount (FV) - Redemption amount (RA)} \\ &= \text{RM50,000.00 - RM49,890.41} \\ &= \text{RM109.59} \end{aligned}$$

The early redemption amount is to be computed as follows:

$$\text{RA} = \text{FV} (1 - \text{RT}/36500)$$

Where;

$$\begin{aligned} \text{RA} &= \text{Redemption Amount} \\ \text{FV} &= \text{Face Value or Maturity Value} \\ \text{R} &= \text{Mutually agreed redemption rate (in percentage per annum)} \\ \text{T} &= \text{Number of days remaining to the original maturity date} \end{aligned}$$

The face value of AB-i is RM50,000.00, the redemption rate is 4% and number of days remaining to the original maturity is 20 days.

$$\begin{aligned} \text{RA} &= \text{FV} (1 - \text{RT}/36500) \\ &= \text{RM50,000.00} (1 - 4 \times 20/36500) \\ &= \text{RM50,000.00} (1 - 4 \times 0.0005479452) \\ &= \text{RM50,000.00} (0.9978082192) \\ &= \text{RM49,890.41} \end{aligned}$$



9. Do I need any Takaful coverage?

- Yes, you are encouraged to take up Takaful coverage to adequately protect the assets/goods. You may choose to take the Takaful coverage with any of the bank panel Takaful Operator or any other Takaful Operator acceptable by the bank.

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

- It is important that you inform us (written notice to be sent to the account holding branch) of any change in your contact details to ensure that all correspondences reach you in a timely manner.

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

Public Islamic Bank Berhad
25th Floor, Menara Public Bank
146 Jalan Ampang
50450 Kuala Lumpur

Telephone : 03-2170 8000
Fax : 03-2162 2224
E-mail : islamicbkg@publicislamicbank.com.my
Website : <https://www.publicislamicbank.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, financial education and debt restructuring for individuals. You can contact AKPK at:

Level 5 & 6
Menara Bumiputra Commerce
Jalan Raja Laut
50350 Kuala Lumpur

Telephone : 03-2616 7766
E-mail : enquiry@akpk.org.my

- If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia TELELINK at:

Customer Contact Centre (BNMTELELINK)
Bank Negara Malaysia
P.O. Box 10922
50929 Kuala Lumpur

Telephone : 1-300-88-5465 (1-300-88-LINK)
 : +603-2174 1717 (Call from overseas)
Operating Hours : 9:00 a.m. – 5:00 p.m. (Monday – Friday except public holiday)
Web Form : telelink.bnm.gov.my

12. Where can I get further information?

- Should you require additional information, please refer to the Public Islamic Bank website at www.publicislamicbank.com.my.
- Approach the nearest Public Bank/Public Islamic Bank branch.



13. Other Facilities Available?

- Letter of Credit-i
- Bankers Guarantee-i
- Shipping Guarantee-i
- Trust Receipt-i
- Accepted Bills-i (Purchase)

IMPORTANT NOTE: YOUR COLLATERAL MAY BE FORECLOSED IF YOU DO NOT KEEP UP PAYMENTS ON YOUR FACILITY.

The above is for illustration purposes only, profit and charges may vary and is subject to the Bank's current term and conditions.

Signature/Date :

Officer/SME Name :

- I confirm a copy of this disclosure form has been provided and briefed to the applicant.
- The information provided in this disclosure sheet is valid as at date hereof.