

## PRODUCT DISCLOSURE SHEET

(Please read this Product Disclosure Sheet before you decide to take up the Islamic Property Financing. Be sure to also read the general terms and conditions)

Product							
Shariah Contract	Commodity Murabahah (CM) <i>Cost Plus Profit</i>				Musharakah Mutanaqisah (MM) <i>Diminishing Partnership</i>		
Home Financing-i	Financing Purchase		Refinancing		Remortgage		Additional Financing
Shophouse Financing-i	Financing Purchase		Refinancing		Remortgage		Additional Financing
Priority Financing Scheme	SLCHP		SHFS		SJKP Scheme		SRP Scheme
Bungalow Scheme	Financing Purchase of Vacant Land				Financing Construction Cost		
Others							

### 1. What is this product about?

This is an Islamic property financing facility offered to either completed or underconstruction property. This facility is secured against residential or commercial properties. Nonetheless, additional security such as fixed deposits, guarantors, etc. may be requested depending on the credit assessment.

The facility may be for the following purposes:-

- Financing purchase of residential or commercial properties
- Refinancing of an existing mortgage loan/financing from another financial institution (eg redemption sum/balance outstanding plus top up facility)
- Remortgage of a property free from encumbrances
- Additional Financing or top up facility for existing Maybank Islamic mortgage financing customers seeking extra facility for working capital, investment, education, renovation, etc

Typically, the maximum financing/facility amount is slightly less than the value of the property charged and in the case of financing new purchases, the difference between the financing amount and the purchase price (or the open market value (OMV), whichever is lower) is to be paid by the customer first before the financing amount is released eg

Property Purchase Price	: RM 200,000
Financing Amount (90% of the property price)	: RM 180,000
Amount to be Paid by Customer (10% of property price)	: <b>RM 20,000</b>

Additional facility is available for capitalization of related expenses eg Mortgage Reducing Term Takaful (MRTT) contribution, legal fees and stamp duty pertaining to the financing documentation, etc, subject to credit assessment and terms and conditions.

The profit rate charged may be fixed, variable/ floating or combination of fixed and floating, single or multiple profit rates. Variable/ Floating rate is typically based on the Base Financing Rate (BFR) plus/minus profit spread eg BFR+1.75% and the effective rate will vary in accordance to the periodical changes in the BFR.

For Islamic financing scheme which based on Sale-based contract, the profit rate used for computation of Selling Price Rate is determined upfront i.e BFR+ 4.00% or 10.00% whichever is higher upon the offer and acceptance of financing. This Selling Price or known as ceiling rate provides the customers with maximum capping for the total amount of financing payment regardless of periodical changes in the BFR.

The financing payment is typically in the form of monthly installment (calculated based on the prevailing effective profit rate, financing tenure and balance outstanding). For financing under variable/floating rates, the instalment will be charged using the effective profit rates, in accordance to the BFR movement, but will not exceed the Selling Price. Any difference between the ceiling rate (Selling Price) and effective rate (actual cost charged to the customer) will be rebated or discounted upon settlement.

The installment amount is to commence upon full financing disbursement or expiry of grace period. Pending full financing disbursement (in the case of financing purchase of properties underconstruction from developers where the financing amount is released progressively against the progressive claims issued by developers), customers are to at least service the Grace Period Profit (GPP) /monthly profit charged in absence of monthly installments.

#### Example calculation of GPP :

\*Assumption BFR = 6.60%, Effective Profit Rate = BFR -1.00% ;  $r = (6.60\% - 1.00\% = 5.60\%)$

Financing amount = RM 500,000, 20% or RM100,000 partial disbursement

Total Monthly GPP to be paid =

$$\text{Grace Period Profit (GPP)} = \left[ \frac{\text{RM } 100,000 \times 5.60\%}{365} \right] \times 30 \text{ days} = \text{RM } 460.26$$

## 2. What is the Shariah contract applicable?

The applicable Shariah contract is\* (please select below)

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\* **Commodity Murabahah** (*cost plus profit*).

This is a buy and sell contract between the Bank and Customer of which a specific Shariah compliant commodity will be identified and used as the underlying asset for the sale and purchase transaction between the customer and the Bank for the purpose of availing the funds for the financing.

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\* **Musharakah Mutanaqisah** (*diminishing partnership*).

This is an Islamic property financing based on a combination of Shariah contracts of Musharakah (partnership) and Ijarah (leasing). It is a form of diminishing partnership contract whereby the customer and the Bank jointly acquire and own a property. Once the Bank leases the property to the customer, the instalment payments shall gradually transfer the Bank's ownership to the customer.

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

<b>A. Total Amount Financed</b>	RM	<b>F. Financing Tenure</b>	_____ years
<b>B. Capitalised Related Expenses</b>		<b>G. Selling Price/ Ceiling Rate</b>	_____ %
<ul style="list-style-type: none"> <li>Takaful (MRTT)</li> <li>Will Writing Fee</li> <li>Others</li> </ul>	RM RM RM	<b>H. Selling Price Amount</b>	RM
<b>C. Total (a + b)</b>	RM	<b>I. Current BFR</b>	_____ %
<b>D. Property Value/OMV</b>	RM	<b>J. Profit Rate**</b>	BFR +/- _____ %
<b>E. Margin of Financing (c ÷ d)</b>	_____ %	<b>K. Effective Rate (i +/- j)</b>	_____ %

\* **Note:** Indicative rate, subject to customer's credit rating and credit assessment.

## 4. What are my obligations?

A. Servicing the GPP/monthly progressive profit pending full financing disbursement.

B. Servicing the monthly installment amount (due 1<sup>st</sup> of each month) upon full disbursement or expiry of grace period.

Rate	Current Effective Rate	Current Effective Rate+ 1%	Current Effective Rate +2%
Monthly instalment amount*	RM	RM	RM
Total profit cost payable at the end of financing tenure	RM	RM	RM
Total payment amount at the end of financing tenure **	RM	RM	RM

**Assumption:** The above computation is applicable for financing full release immediately, progressive release does not accounted for

**Important:**

\* Your monthly instalment and total payment amount will vary if the BFR changes but will not exceed the Selling Price (for Commodity Murabahah only)

- \*\* 1. (For Commodity Murabahah - The Outstanding Selling Price minus outstanding financing amount and rebate)  
2. (For Musharakah Mutanaqisah - The Selling Price/Buyout amount is the total amount outstanding due)

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

<b>Stamp Duties</b>	As per the Stamp Duty Act 1949 (Revised 1989) a) Letter of Offer : RM10.00 b) Principal Document * : RM5.00 for every RM1,000 c) Security Document : RM10.00 d) Standing Instruction : RM10.00 *20% stamp duty remission for Principal Document based on Shariah principles
<b>Legal &amp; Disbursement Fee</b>	Include solicitors fees for financing documentation, registration of charge, land search and bankruptcy search
<b>Processing Fee</b>	Processing fees RM50 to RM200 depending on financing amount
<b>Excess Payment Redraw</b>	RM25 per successful withdrawal
<b>Letter for EPF Withdrawal</b>	RM 10 per request
<b>Redemption Letter</b>	RM 50 per request
<b>Transaction or Brokerage Fee</b>	Waived *Applicable only for Commodity Murabahah Home/Shophouse Financing-i

**\* Note:**

The Bank will notify from time to time, for any change.

**6. Should you fail to fulfill your obligation, the Bank is entitled to:**

<b>Late Payment Charges</b>	a) Overdue Instalment or Scheduled Payment : 1% p.a. on the installment amount in arrears from the date of the first drawdown of the Facility until its Maturity Date  or b) Upon Maturity Date of the Facility or upon judgment, whichever is earlier: Prevailing daily overnight Islamic Interbank Money Market (IIMM) rate on the outstanding balance due and payable  <u>Note:</u> The Late Payment Charges charged shall not be further compounded
<b>Default Rate</b>	In the event of default (non-payment) on three (3) consecutive payments of profit pending the commencement of instalment or during the payment of monthly instalment, the Bank shall be entitled to convert the prescribed rate to BFR+2.50% per annum calculated in daily balance basis, or such other rate as the Bank may prescribe from time to time subject always to the Selling Price (where applicable)
<b>Right to set-off</b>	The Bank has the right to set-off any credit balance in your deposit account(s) maintained with the Bank against any outstanding balance.
<b>Right to commence recovery or Legal action</b>	Legal action will be taken if you fail to respond to reminder notices. Your property may be subjected to foreclosure and you will have to bear all costs. The Bank have a right to commence recovery activities (including engaging third party debt collection agencies), foreclosure and bankruptcy proceedings  <u>Note:</u> Legal action against you may affect your credit rating leading to credit being more difficult or expensive.
<b>Right to review and terminate the facility</b>	The Banks retains an absolute right to review and terminate the facility granted to you in the event there is any indication the property is being used for non-shariah compliant activities or upon occurrence of any other events of defaults as agreed in terms and conditions of the facility.

**7. What if I fully settle the financing before its maturity?**

If you fully settle your financing before its maturity :-

- You will need to pay the outstanding balance, current monthly profit and any amount due and payable to the Bank.
- No Early Settlement Fee will be charged.

**Note:-**

**For Islamic Property Financing under Commodity Murabahah contract,** the Bank shall grant rebate (Ibra') to the Customer on, but not limited to, the following events

- The Customer makes early settlement or early redemption, including those arising from prepayments;
- In the event of early commencement of Monthly Instalment prior to the expiry of grace profit period (for properties under construction);
- In the event the Effective Profit Rate is lower than the Ceiling Profit Rate.and
- In the event the actual disbursed amount is less than the Bank's Purchase Price

For avoidance of doubt, it is hereby acknowledged and agreed that the rebates referred to herein shall not be construed in any manner whatsoever as cash rebate payable to the Customer, but shall be reflected as a reduction in the profit element of the instalments of the Facility. The rebate shall only be deemed granted upon receipt of the settlement/redemption sum as determined by the Bank based on the following formula:

Outstanding Bank's Selling Price	<b>LESS</b>	Outstanding Purchase	<b>LESS</b>	Other Amount Due to the Bank
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**8. Do I need any takaful coverage?**

The following Takaful policies are recommended to be taken from our panel of Takaful providers or other takaful companies of your choice approved by the Bank:-

- Mortgage Reducing Term Takaful (MRTT) to cover the customer(s) in the event of death or permanent disability (compulsory/recommended)
- Fire Takaful or Home Building Takaful (HBT) to cover the property (compulsory)
- Home content takaful to cover the small assets (eg electrical items, furniture, etc) within the property (optional)

**9. Do I need to provide guarantor?**

On case to case basis depending on your credit assessment by the Bank, you may be required to provide a guarantor

**10. Can I suggest a lawyer to the Bank who is not listed on the Bank's panel lawyer?**

Yes. However, it is not recommended as the lawyer may not be well versed with the Bank's documentation requirements and hence may result in delays

**11. Will my information be disclosed to third party?**

Please refer section 5 (Other Details) and section 8 (Declaration) of the financing application.

**12. What are the major risks?**

If your financing is under Variable Rate Financing (VRF), the number of your monthly instalments and instalment amount may change or increase from the prescribed number of instalments in the Letter of Offer based on the movement of BFR. In circumstances where BFR continue to increase, the number of monthly instalments and the instalment amount may increase (\*Except for Commodity Murabahah Contract, the total amount to be collected shall not exceed the Selling Price amount).

**Note:**

If you have problem meeting your financing obligations, please call us early to discuss on the payment alternatives.

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

It is important that you inform us of change 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 reach us via one of the following channels below , eg: M2U or Home branch.

**14. Where can I get assistance and redress ?**

- If you have difficulties in making payments, you should contact us earliest possible to discuss payment alternatives. You may reach us via one of the channels below:-

**MAYBANK ISLAMIC BERHAD**

Branch: \_\_\_\_\_

Address: \_\_\_\_\_

Tel: \_\_\_\_\_ E-Mail: \_\_\_\_\_

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

Customer Feedback Management  
 Level 28, Menara Maybank  
 100 Jalan Tun Perak  
 50050 Kuala Lumpur  
 Hunting Line: 03-20748075  
 Email: [cfm@maybank.com.my](mailto:cfm@maybank.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: 03-21741515  
 Email: [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)

**15. Where can I get further information?**

Should you require additional information on Islamic property financing, please refer to the 'bankinginfo' booklet on Islamic Home Financing available at all our branches and the 'www.bankinginfo.com.my' website.

If you have any enquiries, please contact us at:

**Address** :  
**Tel** :  
**Fax** :  
**E-mail** :

Further information on other home financing products, you may visit our Maybank or Maybank Islamic website at [www.maybank2u.com.my](http://www.maybank2u.com.my) or [www.maybankislamic.com.my](http://www.maybankislamic.com.my) /

**16. Other consumer financing packages available**

Other Consumer financing packages available are Personal Financing-i, Islamic Hire Purchase (AITAB), Maybank Islamic Ikhwan Card-i, Deposits-i Accounts and Islamic Cash Line-i Facility.

**IMPORTANT NOTE:**

**YOUR HOUSE MAY BE FORCLOSED IF YOU DO NOT KEEP PAYING INSTALMENTS  
 ON YOUR HOUSE FINANCING**

***Other Information:***

- In the event the financing tenure extends into retirement, it is important that applicant(s) has/have a plan on how to service the payment after applicant's retirement age.
- The information provided in this disclosure sheet is valid as at or until \_\_\_\_\_.

**Disclaimer:**

The terms and conditions indicated in this Product Disclosure Sheet are tentative/indicative and not binding on the Bank. The final terms and conditions are as stipulated the letter of offer and Facility Agreement after credit assessment and financing approval.

**For Bank use only:**

Sales Executive is required to fill up this form upon attending the financing application.