

PRODUCT DISCLOSURE SHEET

Please read this Product Disclosure Sheet (PDS) before you decide to APPLY for the PRODUCT.

We advise you to also read the general terms and conditions in the Letter of Offer.

Seek clarification from us if you do not understand any part of this document or the general terms.

PRODUCT NAME:

SME PROPERTY & BUSINESS FINANCING-i (SME PBF-i)

DATE:

[The date issued to customer to be filled in by Sales Personnel]

1. WHAT IS THIS PRODUCT ABOUT?

- SME Property & Business Financing-i is an asset-backed financing facility (secured against Commercial/ Industrial/ Residential Properties and Vacant Land) offered to SME customers.
- The facility(s) offered shall be for the following purpose:
 - Asset acquisition i.e. Finance purchase of commercial / industrial properties
 - Working capital financing
 - Capital Expenditure (CAPEX) financing
 - Refinancing/Remortgage of completed property free from encumbrances
 - Redraw (for existing Maybank Islamic Customers)
 - Financing of valuation, legal fees and MRTT (Mortgage Reducing Term Takaful), Keyman Takaful, Stamp Duty and other credit Takaful
- The Effective Profit Rate charged for this product is calculated based on a variable rate basis and the asset offered will be taken as collateral/ security for the financing.
- SME Property & Business Financing-i is available in the form of Commodity Murabahah Term Financing-i (CMTF-i), Cash Line-i (CL-i) or combination of CMTF-i and/or CL-i facilities and Tradelines-i.

2. WHAT IS THE SHARIAH CONTRACT APPLICABLE?

The Shariah Contract applied for Commodity Murabahah Term Financing-i (CMTF-i) & Cash Line-i (CL-i) is Murabahah (cost plus profit) via Tawarruq arrangement (Commodity Murabahah). It is a method of sale with a mark-up price where Customer pays a price over an agreed period of time. The underlying asset for the sale transaction between the Customer and the Bank will be a specific tradable Shariah compliant commodity.

- In accordance to financing under the Commodity Murabahah, the Bank acquires/purchases a specific Shariah compliant commodity from a third party (Commodity Trader 1) upon request made by the Customer.
- The Bank then sells the said commodity to the Customer at the Bank's Sale Price which comprised of the facility amount plus profit margin to be paid on deferred payment basis within the agreed tenure.
- The Customer then appoints the Bank as its agent to perform the commodity sale transaction to a third party for cash.
- The Bank, acting as an agent to the Customer then sells the commodity to a third party (Commodity Trader 2) at a price equivalent to the facility amount or limit.
- Proceeds of sale of the commodity will be disbursed to the Customer, vendors or stakeholders subject to the term and conditions of the facility.

For Commodity Murabahah trading purposes, the Bank shall at all times be your non-exclusive agent to undertake the required Commodity Murabahah transactions related to the facility.

The Shariah contracts applied for Promissory Foreign Exchange-i (PFX-i) are Wa'd and Bai' Al-Sarf. It is an undertaking by customer to buy or sell a currency, in exchange for another currency on the specified future date, based on a pre-agreed exchange rate.

The Shariah Contracts applied for Tradelines-i are:

Shariah Contract	Definition
<i>Wakalah</i> (Agency)	It is a contract where a party, as principal (<i>muwakkil</i>) authorizes another party as his agent (<i>wakil</i>) to perform a particular task on matters that may be delegated, with or without imposition of a fee.
<i>Murabahah Purchase Orderer</i> (MPO)	"MPO" refers to an arrangement whereby the purchase orderer (purchaser) promises (<i>wa'd</i>) to purchase an identified and specified asset from a seller on <i>Murabahah</i> terms upon the latter's acquisition of the asset.
<i>Bai' Dayn</i> (Debt-Trading)	A contract of debt trading created from Shariah compliant business activities.
<i>Kafalah</i> (Guarantee)	A contract where the guarantor conjoins the guaranteed party in assuming the latter's specified liability.

3. WHAT DO I GET FROM THIS PRODUCT?

Total Facility Amount	Maximum: RM5,000,000 (Amount of financing approved is at the discretion of the Bank, subject to eligibility)	
Margin of Financing (MOF)	Up to 150% of Property Value	
Facility Type & Financing Tenure	Commodity Murabahah Term Financing-i (CMTF-i)	Up to 25 Years
	Cash Line-i (CL-i)	Payable on demand
	Letter of Credit-i (LC-i), Trust Receipt-I (TR-i), Invoice Financing-i (IF-i)	Max up to 180 days
	Accepted Bills-i	Max up to 120 days
	Bank Guarantee-i (BG-i)	≤ 12 months
	Promissory Foreign Exchange-i (PFX-i)	Not applicable
Purpose	Commodity Murabahah Term Financing-i (CMTF-i)	For asset acquisition and working capital purpose
	Cash Line-i (CL-i)	For working capital purpose
	Letter of Credit-i (LC-i)	For local purchases / importation
	Trust Receipt-I (TR-i)	For conversion of sight LC-i / conversion of Usance LC-i/conversion of local inward bills for collection / conversion of foreign inward bills for collection
	Invoice Financing-i (IF-i)	For local purchases / import or local sales / export under Open Account terms
	Accepted Bills-i	For importation and local purchases of goods related to the business from resident/non-resident under Collection, LC-i and Open Account terms
	Bank Guarantee-i (BG-i)	For issuance of financial BG-i/ performance BG-i
	Promissory Foreign Exchange-i (PFX-i)	To hedge against foreign exchange transaction
Pricing / Effective Profit Rate (EPR)	The payment of monthly installment is calculated based on EPR.	
	The above EPR may be varied at any time by the Bank giving at least twenty-one (21) calendar days written notice prior to the implementation date provided always that it shall not exceed the Ceiling Profit Rate.	
	<u>Working Capital Financing Taken Up Under BNM Fund</u>	
	The BNM Fund - All Economic Sectors-i (FAES-i), previously known as Fund for Small and Medium Industries 2-i (FSMI2-i) /New Entrepreneur Fund 2-i (NEF2-i) are applicable to financing for Working Capital purpose and only meant for eligible Customers.	
	BNM Financing tenure	Maximum tenure: 5 years effective from the date of first drawdown from BNM
	Effective Profit Rate	1 st 5 Years: Based on BNM Funding Rate Thereafter: Based on the Commercial Rate
	Credit Guarantee Corporation (CGC) Guarantee Coverage	For financing without or inadequate security/collateral, you can apply for CGC guarantee coverage under Flexi Guarantee Scheme (FGS)
Note:		
<ul style="list-style-type: none">This is subject to BNM's approval and availability of the BNM scheme funds.Current BNM Funding Rate is at 0.50% per annum.		
Bank's Sale Price (BSP)	Current Base Financing Rate (BFR) is at 6.65% per annum effective from 8 th May 2023.	
	IF Effective Profit Rate	Then Ceiling Profit Rate is
	BFR + (< 3.00%)	BFR + 4% or 10%, whichever is higher
	BFR + (≥ 3.00%)	BFR + 4% + Spread or 15%, whichever is higher
Online Banking	1) SME First Account	
	2) Islamic Commercial card	
	3) M2u.biz / M2u	

4. CAN I OPT FOR PHYSICAL DELIVERY OF THE COMMODITY, INSTEAD? WHAT ABOUT THE COST INVOLVED?

You may opt for physical delivery of the commodity subject to the Bank's terms and conditions. All costs associated with your instruction for physical delivery of the commodity, shall be borne by you.

5. WHAT ARE MY OBLIGATIONS?

Commodity Murabahah Term Financing-i

- A. Servicing monthly profit amount pending full Facility disbursement.
- B. Servicing monthly installment amount upon full disbursement.

Payment for the Facility is in the form of monthly installment payment (calculated based on the prevailing Effective Profit Rate (EPR), Facility tenure and cost of financing outstanding balance). The installment amount is to commence upon full Facility disbursement.

Monthly Installment Amount*	RM _____ (payment of principal and profit amount)
Total Payment Amount*	RM _____ (inclusive of principal facility amount)

Sample illustration

Pricing : BFR - 1.9% per annum

Financing amount : RM1,000,000

Financing tenure : 20 years

Rate	Today (BFR=6.65%) i.e. 6.65% - 1.9%	If BFR goes up 1% i.e. 7.65% - 1.9%	If BFR goes up 2% i.e. 8.65% - 1.9%
Monthly installment	RM6,462.24	RM7,020.84	RM7,603.64
Total profit cost at the end of 20 years	RM550,936.71	RM685,000.42	RM824,873.62
Total payment amount at the end of 20 years	RM1,550,936.71	RM1,685,000.42	RM1,824,873.62

- C. The Bank shall be entitled to deduct an advance instalment payment equivalent to one month's instalment from the approved facility amount. The Bank shall utilize the said amount deducted to pay any amount due and payable by you in connection with your approved facility at any time during the tenure of the facility.

Note: The monthly installment amount and the total payment amount may vary accordingly with the changes in the BNM Funding Rate and/or BFR provided that the total payment collected on the financing do not exceed the Bank's Sale Price. The Bank will notify you the new instalment amount within twenty-one (21) calendar days prior to the date of implementation.

Cash Line-i

- A. Servicing the monthly profit is based on the utilised amount.
- B. The monthly profit payable * will be calculated daily based on the prevailing Effective Profit Rate, outstanding balance and number of days usage in the month.

There are two types of payment:

Monthly Profit Payable*	RM _____ (Profit)
Principal Payment Payable**	By monthly/quarterly/half yearly/ yearly reduction of limit or by bullet payment until all amounts under the facility are fully paid within the facility tenure.

Note:

* The monthly profit payable may vary accordingly with the changes in BNM Funding Rate and/or BFR.

** As approved by the Bank.

Tradelines-i

Sample Illustration: *E.g. Facility: Trust Receipt-i (TR-i)*

$$\begin{aligned} IV &= \text{RM}100,000 \\ r &= 8.40\% \text{ p.a. } (6.65\% + \text{AVERAGE PROFIT MARGIN } 1.75\%) \\ t &= 60 \text{ DAYS} \end{aligned}$$

$$FV = IV \left(1 + \frac{r \times t}{365} \right)$$

Where,

$$\begin{aligned} FV &= \text{Face Value or Sale Price or Maturity Value} \\ IV &= \text{Invoice Value or Purchase Price} \\ r &= \text{Profit Rate Per Annum} \\ t &= \text{Tenor of Financing} \end{aligned}$$

$$\begin{aligned} FV &= \text{RM}100,000 \left(1 + \frac{60 \times 8.40\%}{365} \right) \\ &= \text{RM } 101,380.82 \end{aligned}$$

6. WHAT ARE THE FEES AND CHARGES I HAVE TO PAY?

Stamp Duties	As per the Stamp Act 1949 (revised 1989)
Trading Fees	In respect of the Commodity Murabahah transaction, you shall pay to the Bank a trading fee of RM15 per every RM1.0 million of the Facility Amount or such other amount as may be determined by the Bank from time to time.
Excess in Cash Line-i	Excess occurs if the utilized amount exceeds the maximum allowed amount that you may utilize from your Cash Line-i facility (Drawing Limit) as permitted by the Bank from time to time. All excess amount must be paid within twenty-four (24) hours. In the event you fail to settle the excess amount within twenty-four (24) hours, Late Payment Charges (LPC) shall be charged on the excess amount from the day your account being in excess.
Tax	Subject to all taxes and levies now or thereafter imposed by law.
Other Fees and Charges	All other costs and expenses i.e. legal fees and other charges incurred in the preparation of all documentation, perfection of the Bank's security documents and disbursement.
Handling Fees (Applicable for IF-i)	Handling fee of RM50 per transaction.

Note: Subject to Shariah compliance, twenty one (21) calendar days written notice will be provided to you for any variation made to the fees and charges that you have to pay and such variation will take effect from the date specified in the said notice.

7. WHAT IF I FAIL TO FULFILL MY OBLIGATIONS?

Late Payment Charges (LPC)	<p>A. It is expressly agreed by the parties that the bank has the right to be compensated on late instalment and/or default payment based on the following mechanism:</p> <p>I. <u>Overdue Instalment or Scheduled Payment</u> For failure to pay any instalment or any payment due from the date of the first disbursement of the facility until its expiry or maturity date, an LPC sum equivalent to one per cent (1%) per annum of the overdue instalments/payment or by any other method approved by Bank Negara Malaysia (BNM).</p> <p>II. <u>Upon Maturity/Judgment (whichever is earlier)</u> For failure to pay any instalments or any payment due and which failure continues beyond the expiry or maturity date of the facility or upon judgment, whichever is earlier, at the LPC rate which shall be the prevailing daily overnight Islamic Interbank Money Market (IIMM) rate on the outstanding balance due and payable or any other method approved by BNM from time to time.</p> <p>B. The amount of LPC charged on you shall not be further compounded.</p>
Legal Action	<p>Legal action may be taken against you due to the following events: -</p> <ul style="list-style-type: none"> Your failure to make instalment payment. Your failure to respond the reminders notices. Any legal action filed against you may affect your credit rating leading to credit being more difficult or expensive to you in the future. Notice will be given to you before any legal action is taken by the Bank.
Right to Set-Off	<p>The Bank may combine, consolidate or merge all or any of your accounts and liabilities with the Bank by giving seven (7) calendar days prior notice on the Bank intention to set off a credit balance of any such accounts in or towards the satisfaction of any of your liabilities to the Bank under the facility. The Bank may concurrently earmark the available funds in your accounts against the outstanding balance of the facility(s) upon the issuance of notice to you.</p>
Default Rate	<p>In the event you default for three (3) consecutive months in any due payment or your account is in excess of the limit for three (3) months under the Facility, we will be entitled to increase the profit margin of the Effective Profit Rate to Base Financing Rate (BFR) + 2.5% p.a. or 1.0% p.a. above the Effective Profit Rate (if the Effective Profit Rate is BFR + 2.5% p.a. and above) ("the Default Rate") to be charged on the amount outstanding, or such other profit rates as Bank Negara Malaysia may prescribe from time to time.</p> <p>We will give you written notice of at least twenty-one (21) calendar days prior to making any changes to the Default Rate or such other rates.</p> <p>The Default Rate shall continue to apply unless you reduce your payment in arrears to less than three (3) months whereby the current effective profit rate will be reinstated.</p> <p>Provided always that such increase shall not cause the total payment amount to exceed the Bank's Sale Price.</p>

8. WHAT IF I FULLY SETTLE THE FINANCING BEFORE ITS MATURITY?

Lock In Period	Nil.
Early Settlement Fees	Nil.
Rebate (Ibra')	<p>If you fully settle your financing before its maturity:</p> <ul style="list-style-type: none"> 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. <p>The Bank shall grant rebate (<i>Ibra'</i>) to the Customer on, but not limited to, the following events:</p> <p>(a) The Customer makes early settlement or early redemption, including those arising from prepayments;</p> <p>(b) In the event of early commencement of monthly instalment prior to the expiry of grace profit period (for progressive disbursement);</p>

- (c) In the event the Effective Profit Rate is lower than the Ceiling Profit Rate; and
 (d) In the event the actual disbursed amount is less than the Facility Amount.

For clarity, the said rebates will not be construed as cash rebate payable to you but will be reflected as a reduction in the profit element of the Bank's Sale Price of the Facility. The rebate will only be granted upon receipt of the settlement/redemption sum as determined by the Bank based on the following formula:

Outstanding Bank's Sale Price	Less	Outstanding Facility Amount	Less	Other Amount due to the Bank
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You may refer to our website at www.maybank2u.com.my for a sample illustration on the application of *Ibra'* and settlement amount formula.

Go to Home > Announcements > Bank Negara Malaysia's Guideline on *Ibra'* (Rebate) for Sale-Based Financing

9. DO I NEED ANY TAKAFUL COVERAGE?

Yes, the following Takaful coverage are recommended to be taken-up (but not limited to) for your/key person/managing director/managing partner/partners/proprietor coverage in the event of death or total permanent disability:

- Mortgage Reducing Term Takaful (MRTT),
- Personal Reducing Term Takaful (PRTT), and
- Takaful OD Protector Plus.

10. WHAT ARE THE MAJOR RISKS?

Please be advised that the Effective Profit Rate will change according to the changes in the BNM Funding Rate and/or BFR. An increase in the Effective Profit Rate may result in higher monthly payments amount.

If you have problems meeting your payment obligations, please contact us early to discuss payment alternatives.

11. WHAT DO I NEED TO DO IF THERE ARE CHANGES TO MY CONTACT DETAILS?

It is important that you inform us of any 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 channels, e.g. M2U or visit your home branch.

12. WHERE CAN I GET ASSISTANCE AND REDRESS?

- i) If you have difficulties in making payments, you should contact us earliest possible to discuss payment alternatives. You may contact us at:

Name of Branch : _____

Address : _____

Tel/Fax : _____ E-mail : _____

- ii) 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 may contact AKPK at:

Level 5 and 6

Menara Bumiputra Commerce

Jalan Raja Laut

50350, Kuala Lumpur

Tel: +603 2616 7766 Website: www.akpk.org.my

- iii) If you wish to complain on the products or services provided by us, you may contact us at your home branch:

or;

Customer Care Hotline

Tel: 1-300-88-6688 (Local) , 603 - 78443696 (Overseas)

Email: mgcc@maybank.com.my

iv) If your query or complaint is not satisfactory 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 E-mail : bnmtelelink@bnm.gov.my

13. WHERE CAN I GET FURTHER INFORMATION?

If you have further enquiries, please contact us at:

Maybank/Maybank Islamic Branch:
 Address :
 Tel :
 E-Mail:

14. IS THERE ANY OTHER SME SCHEMES AVAILABLE?

Yes. You may refer to our website at www.maybank2u.com.my for other SME Schemes.

DISCLAIMER

The information, terms and conditions in this product disclosure sheet are indicative and are not binding on the Bank. The final terms and conditions are stipulated in the Letter Of Offer after credit assessment and final approval by the Bank.

IMPORTANT NOTE:

**THE BANK HAS THE RIGHT TO PROCEED WITH LEGAL ACTION AGAINST YOU IF
 YOU FAIL TO PAY YOUR PAYMENTS.**

The information provided in this Disclosure Sheet is valid as at **September 2024** and will be valid until the next periodical review.

Customer's Acknowledgement

I acknowledge that adequate explanation has been provided by the Bank's officer to me in respect of the salient terms of this document.

I hereby declare that I have read and understood the content of this Product Disclosure Sheet.

[*For Partnership/Sole-Proprietorship]

[*For Corporation]

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 Business Stamp
 Name of the Authorised Signatories:
 I/C No.:
 Date:

.....
 Authorised Signatories and Company Stamp
 for <*Company/Customer Name>
 Name:
 I/C No.:
 Date: