

PRODUCT DISCLOSURE SHEET

Read this Product Disclosure Sheet before you decide to take out the Cash Line-i. Please read the terms in the letter of offer. Seek clarification from us if you do not understand any part of this document.

PRODUCT NAME:
CASH LINE -i
(for INDIVIDUAL)

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

1. WHAT IS THIS PRODUCT ABOUT?

Cash Line-i is a Shariah compliant term financing facility offered to eligible customers for personal consumption or purchase of assets or property which are not contrary to Shariah principles.

2. WHAT IS THE SHARIAH CONTRACT APPLICABLE?

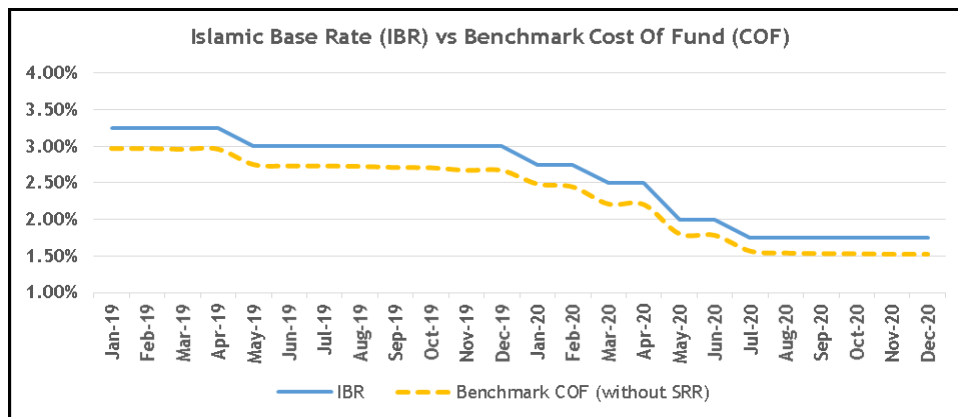
The Shariah Contract applied is Murabahah (cost plus profit) via Tawarruq arrangement (Commodity Murabahah). It is a method of sale of which its acquisition cost and its marked-up price are disclosed where you pay the price over an agreed period of time. The underlying asset for the sale transaction between us will be a specific tradable Shariah compliant commodity.

- In accordance to financing under the Community Murabahah, we acquire/purchase a specific Shariah compliant commodity from a third party (Commodity Trader 1) upon your request.
 - We then sell the said commodity to you 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.
 - You then appoint us as your agent to perform the commodity sale transaction to a third party for cash.
 - We, acting as your agent then sells the commodity to a third party (Commodity Trader 2) at a price equivalent to the facility amount.
 - Proceeds of sale of the commodity will be disbursed to you, vendors or stakeholders subject to the terms and conditions of the facility.
- For Commodity Murabahah trading purposes, we shall at all times be your agent to undertake the required Commodity Murabahah transactions related to the facility.

3. WHAT IS ISLAMIC BASE RATE (IBR)?

Islamic Base Rate (IBR) is in accordance to the new Reference Rate Framework introduced by Bank Negara Malaysia and it replaces the Base Financing Rate (BFR) as the pricing for retail Islamic financing effective 2nd January 2015. Under this new framework, we will use funding costs only as its benchmark to quote their base rate. IBR is computed based on its average cost of funds. The IBR will not only be adjusted when there are changes in monetary policy e.g. Overnight Policy Rate (OPR) but also changes in the funding conditions e.g. movement in Kuala Lumpur Interbank Offered Rate (KLIBOR).

4. HISTORICAL BENCHMARK COST OF FUND (COF) IN 2 YEARS



5. WHAT DO I GET FROM THIS PRODUCT?

No	Item	Description
i.	Facility Amount	Facility amount as approved by us based on credit evaluation.
ii.	Tenure	Up to five (5) years and renewable by us upon expiry of the tenure.
iii.	Ceiling Profit Rate	The contracted profit margin rate which is based on the prevailing IBR + 7.65% or 10% per annum, whichever is higher. <i>Currently IBR is at 1.75%</i>
iv.	Effective Profit Rate (EPR)	The EPR charged for the Cash Line-i facility will depend on the package offered.

6. WHAT ARE MY OBLIGATIONS?

- a) Servicing the monthly profit portion *.
 - We will debit the monthly profit charge on the Cash Line-i account at every month-end.
- b) Payment of principal amount by way of:
 - i) Scheduled reduction in Cash Line-i limit (annually/half-yearly/quarterly/ monthly reduction)
 - ii) Lump sum payment upon maturity until the Facility is fully paid and settled.
- c) You are to ensure there is sufficient fund in your Cash Line-i account to cover for the monthly profit charged and scheduled reduction in facility limit (if any) that takes place to avoid your account being in excess and incurring Late Payment Charge (“LPC”) on the excess amount.

* Sample illustration on monthly profit charged on Cash Line-i utilised

The monthly profit payable is calculated daily based on the prevailing Effective Profit Rate (EPR), the facility amount utilised and number of days utilised for the month.

EPR	6.9% per annum
Facility Amount/Limit	RM 1 million
Facility Amount Utilised / days	1. RM300,000.00 / 10 days 2. RM400,000.00 / 12 days

Utilisation	Current EPR = 6.9%	If IBR goes up 1% to 7.9%	If IBR goes up 2% to 8.9%
1. 10 days	1. RM567.12	1. RM649.32	1. RM731.51
2. 12 days	2. RM907.40	2. RM1,038.90	2. RM1,170.41
Total profit for the month	RM1,474.52	RM1,688.22	RM1,901.92

Note:

The total monthly profit payable may vary accordingly with the changes in IBR and previous facility amount outstanding. If the IBR changes, the Effective Profit Rate will change by us giving at least twenty one (21) days written notice prior to the implementation date but will not exceed the Ceiling Profit Rate.

7. WHAT OTHER CHARGES DO I HAVE TO PAY?

Trading Fees	Waived
Stamp Duty	As per in the Stamp Duty Act 1949 (Revised 1989).
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, LPC will be charged on the excess amount from the day your account being in excess.
Processing for Purchase of Properties	RM200
Amanah Saham Bumiputera Certificate Charged as Collateral	RM100
Disbursement Fees	Fees for registration and bankruptcy research.
Other fees and charges	All other costs and expenses i.e. legal fees and other charges incurred in the preparation of all documentation and perfection of our security documents.
Commitment fee	Nil

Note: All the above fees are subject to any tax at the prevailing standard rate (if applicable). If we change the fees and charges, a twenty one (21) days' written notification will be given to you before the effective date of the implementation.

8. WHAT IF I FAIL TO FULFILL MY OBLIGATIONS?

<ul style="list-style-type: none"> ▪ Late Payment Charge (LPC) 	<p>We have the right to be compensated on late and default payment based on the following mechanism: -</p> <ol style="list-style-type: none"> i. <u>Overdue Instalment or Scheduled Payment</u> For your failure to pay any payment due from the date of the first disbursement of the facility until its maturity date, a LPC sum equivalent to 1% per annum on the overdue instalments/payment from the first drawdown until its maturity date. ii. <u>Upon Maturity</u> For your failure to pay any payment due and which failure continues beyond the maturity date of the facility or on judgment, whichever is earlier, at the LPC rate which will be the prevailing daily overnight Islamic Interbank Money Market on the outstanding balance due and payable, or by any other method approved by BNM. <p>However, the amount of LPC charged on you will not be further compounded.</p>
<ul style="list-style-type: none"> ▪ 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 us.
<ul style="list-style-type: none"> ▪ Default Rate 	<p>In the event of you default on three (3) months in any due payment or your Cash Line-i 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 we may prescribe from time to time.</p> <p>Provided always that such increase will not cause the total payment amount to exceed the Bank's Sale Price.</p>

	The Default Rate will be revised to the prevailing Effective Profit Rate upon full settlement of all your payment in arrears under the Facility.
<ul style="list-style-type: none"> ▪ Right to set-off 	We have the right to set-off any credit balance in your account maintained with us against any outstanding balance of this facility with seven (7) calendar days' prior written notice to you.

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

We shall grant rebate (*Ibra'*) to you on, but not limited to, the following events:

- You made an 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 progressive disbursement);
- 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 Facility Amount.

For clarity, the said rebate 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 us based on the following formula:

$$\boxed{\begin{array}{r} \text{Outstanding} \\ \text{Bank's Sale Price} \end{array} \quad \text{Less} \quad \begin{array}{r} \text{Outstanding} \\ \text{Facility Amount} \end{array} \quad \text{Less} \quad \text{Other Amount due to us}}$$

You may refer to our website at www.maybank2u.com.my for a sample illustration on the application of rebate (*Ibra'*) and settlement amount formula.

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

10. DO I NEED ANY TAKAFUL / INSURANCE COVERAGE?

Assets and properties charged or assigned to us as collateral must be adequately protected/covered and we are named as chargee.

11. WHAT ARE THE MAJOR RISKS?

We have the right to liquidate the collateral if you fail to pay the outstanding amount.

If your financing is under Variable Rate Financing (VRF), the monthly profit payment may change or increase according to changes to the reference rate (e.g. movement of IBR). In circumstances where IBR continue to increase, it may result in higher amount of monthly profit payment. However the total amount to be collected shall not exceed the Bank's Sale Price.

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

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

You have to inform us of any changes in your contact details so that all correspondences/reminders reach you in a timely manner. To update please your correspondence details, please visit any Maybank or Maybank Islamic branches near to you.

13. WHERE CAN I GET ASSISTANCE AND REDRESS?

- If you have difficulty in paying the monthly instalment, please contact us earliest possible to discuss payment alternatives. You may contact us at nearest Maybank/Maybank Islamic Branch.

Maybank
 Branch : _____
 Address : _____
 Tel/Fax : _____ Email : _____

- 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 counseling and debt restructuring for individuals. You can contact AKPK at:

8th Floor, Maju Junction Mall
 1001, Jalan Sultan Ismail



50250 Kuala Lumpur
Tel: 1-800-22-2575
E-mail : enquiry@akpk.org.my

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

Maybank
Customer Feedback Management
28th Floor , Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
Malaysia
Tel No: 03-20748075
Website: 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: 03-2174 1515
Email : bnmteletelink@bnm.gov.my

IMPORTANT NOTE: LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DO NOT KEEP UP WITH PAYMENTS ON YOUR FINANCING ACCOUNT

The information provided in this disclosure sheet is valid from Mar 2021

Customer Declaration: I/We declare that I/we have read and understood the content of this Product Disclosure Sheet.

Signature:

Name:

IC No.: