

Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information on your financing. Other customers have read this PDS and found it helpful, you should read it too.

1 WHAT IS FINANCE LEASE-i

Finance Lease-i is a term financing based on leasing which allows customer to lease assets from Bank Islam and subsequently purchase the assets from Bank Islam at the end of the lease tenure. This product is offered on fixed rate term. The rental payment is fixed throughout the tenure.

The applicable Shariah contract is Ijarah Muntahiyah Bi Tamlik (IMBT) which refers to a lease contract ended with acquisition of ownership of the leased asset by the lessee. At the end of financing tenure, the ownership of the asset will be transferred to the customer by way of sale.

2 KNOW YOUR OBLIGATIONS

For this financing, as an illustration:

- Your financing amount = **RM50,000.00**
 - Your monthly rental = **RM699.40**
 - Your financing tenure = **7 years**
 - Effective Profit Rate (EPR) = **2.50% p.a.**
- In total you will pay RM58,750.00** at the end of 7 years.

You have to pay the following fees and charges:

- I. Stamp duty: 0.5% of financing amount.
- II. Legal fee and disbursement including solicitor's fee: Fees for preparing the financing documentation, registration of charge, land research and bankruptcy search (where applicable).
- III. Processing fee (only applicable for non-SME).
- IV. Financing cancellation: All costs incurred by Bank Islam, if any, for the preparation, registration of security documents and expenses incurred during the claim process upon cancellation.
- V. Late payment charges: 1% p.a. on the overdue rentals.

It is your responsibility to:



Read and understand the **key terms** in the **contract** before you sign.



Pay your monthly rental timely and in full for **7 years**. Speak to us if you wish to settle your financing earlier.



Contact us immediately if you are unable to pay your monthly rental.

If you wish to settle your financing early, you should know:

No 'lock in period' for this facility and Bank Islam shall grant Ibra' (rebate) on the deferred profit after full settlement is made.

3 KNOW YOUR RISKS

What happens if you ignore your obligations:

- I. You **pay more in total** due to late payment charges (compensation charges/ Ta`widh).
- II. We may **deduct** money from any account you have with us to set off your financing outstanding balance.
- III. We may **take legal action** against you and **exercise all remedies** available under security arrangement.
- IV. Your **credit score** may be affected leading to credit being more difficult or expensive to you.
- V. Cross default of other facilities with Bank Islam may be triggered.
- VI. Bank Islam may invoke the Wa`d (Purchase Undertaking).

4 OTHER KEY TERMS

- To inform us of any change in your contact details.
- The Deposit for assets paid by the customer to the dealer/ supplier will form part of the total rental.
- The customer is required to obtain Takaful coverage to cover at minimum any loss, damage or destruction caused by accident, any insurable risks commonly insured/ covered against the assets (or assets of it similar nature) and specific perils as stated in the letter of offer (if any) from our panel Takaful providers or other Takaful companies as approved by Bank Islam (where applicable). If customer fails to take the Takaful coverage, customer will bear any lost and/or cost for repairing of the assets.
- If the customer does not meet the minimum credit requirement, Bank Islam may require guarantor and/or additional collateral.

PRODUCT DISCLOSURE SHEET

➤ Agensi Kaunseling Dan Pengurusan Kredit has been established by Bank Negara Malaysia to provide free services on money management, credit counselling, financial education and debt restructuring for individual, sole proprietor and small and medium enterprise.

If you have any questions or require assistance on our product, you can:



Call us at
+603-26 900 900



Visit us at
<https://www.bankislam.com>



Email us at
contactcentre@bankislam.com.my

Customer's Acknowledgment

(A customer's acknowledgement of this PDS shall not prejudice his/her rights to seek redress in the event of subsequent dispute over the product terms and conditions.)

Ensure you are filling this section yourself and are aware of what you are placing your signature for.

- I acknowledge that Bank Islam has provided me with a copy of the PDS.
- I have read and understood the key information contained in this PDS.

Name:
Date:

CONFIDENTIAL