# PRODUCT DISCLOSURE SHEET

BANK ISLAM

**Date:** 7 April 2026

**Dear Customer,**
This Product Disclosure Sheet (PDS) provides you with key information on Biz Smart Property Program (BIZ SMART). program. This program is offered with multiple products facilities. **You are advised to refer to respective product's PDS in the Bank's website for more information of the product offered under this program**.
Other customers have read this PDS and found it helpful, you should read it too.

## 1 WHAT IS BIZSMART PROPERTY

- The Biz Smart Property Program (Biz Smart) is to finance the purchase and refinancing of commercial and industrial properties, as well as residential properties used exclusively for company purposes. The program also provides financing for additional working capital requirements and capital expenditures related to renovations only.
- The program will benefit Small Medium Enterprise (SMEs); Private Limited Company, Sole-Proprietorship, Partnership and Professional Services Providers. The company must fall within SME definition issued by SME Corporation Malaysia, have been active for at least three (3) years (for Wholesale & Retails Trade, Manufacturing and Transportations & Storage) or five (5) years (Café, Restaurant, Construction and Services like Hospitals, Clinics and Pharmacies) and has been profitable for at least two (2) out of the last three (3) years.
- Under this program, customer will be offered:
  a) Business Financing-i (BF-i), Business Cash Line-i (BCL-i) and Multi-Trade Facility (MTF)
  b) Multi Trade Facility is inclusive of Letter of Credit-i (LC-i), Trade Tawarruq-i (TTQ-i), Trade Working Capital Financing-i (TWCF-i), Shipping Guarantee-i (SG-i) and Bank Guarantee-i (BG-i).
- BF-i and BCL-i are provided at variable rates under the contract of Tawarruq. For facility with variable rate, the monthly payment may be varied from time to time based on changes to the latest Base Financing Rate (BFR) provided always that the total instalment amount shall not exceed the Bank's Sales Price.
- For BF-i and BCL-i , the Shariah concept applicable is Tawarruq, which consists of two sale and purchase contracts. The first involves customer purchases a commodity from Bank Islam (as the customer's purchase agent) on Murabahah (cost plus sale) basis at Bank Islam's Sale Price. Subsequently, Bank Islam (who act as customer's sale agent), sells the commodity to a third party at cost price on a cash and spot basis, and the proceeds are given to the customer. The customer must pay Bank Islam's Sale Price as per the agreed terms.

## 2 KNOW YOUR OBLIGATIONS



**For this financing, illustration for variable rate BF-i is as follow:**

- Your Financing Amount = **RM3,000,000.00**
- Your Monthly Instalment = **RM18,769.61**
- Your Financing Tenure = **20 years**
- Ceiling Profit Rate = **15% p.a.**
- Sale Price = **RM9,480,885.60**
- Effective Profit Rate = **4.37% p.a**
  **[*BFR (6.47% p.a.) – 2.10% p.a.]**
- In total **you will pay RM4,504,706.40** at the end of 20 years.

**For this financing, illustration for variable rate BCL-i is as follow;**

- Your Financing Amount = **RM3,000,000.00**
- Your Monthly Instalment = **N/A**
- Your Financing Tenure = **1 year**
- Ceiling Profit Rate = **15% p.a.**
- Sale Price = **RM3,450,000**
- Effective Profit Rate = **7.47% p.a.**
  **[*BFR (6.47% p.a.) + 1.00% p.a.]**
- BCL-i facility cannot offer a fixed monthly instalment because the payment amount changes based on how much customer use. Since the balance increases or decreases with every withdrawal or repayment, the profit and monthly payment will also vary.

**It is your responsibility to:**

- Read and understand the **key terms** in the **contract** before you sign.
- Pay your **monthly instalment / payment timely**. Speak to us if you wish to settle your financing earlier.
- Ensure you can afford to **pay a higher instalment** if the BFR rises.
- **Contact us immediately** if you are unable to pay your monthly instalment.

**The BFR is assumed at 6.47% p.a. while the spread at (BF-i) 2.10% p.a. and (BCL-i) 1.00%. Please refer to Bank Islam's website https://www.bankislam.com/deposit-financing-rates/ for the latest BFR.*

**For BF-i and BCL-i, you have to pay the following fees and charges:**

I. **Stamp duty**: 0.50% of financing amount.
II. **Agency fee**: RM50.00.
III. **Legal fee and disbursement including solicitor's fee** : For preparing financing documentation, registration of charge, land search and bankruptcy search (where applicable).
IV. **Late payment charges**: 1.00% p.a. on the overdue instalments.
V. **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.

**Note:** Please refer to our website at https://www.bankislam.com/ for further details on fees and charges including charges for Multi Trade Facility.

**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.

### Your monthly instalment may increase during the tenure of your financing.

The Effective Profit Rate offered may fluctuate during the tenure of the financing for facility with variable rate. An increase in BFR means you shall pay a **higher monthly instalment**.

**Example for variable rate BF-i is as follow:**

| | Current rate at 4.37% p.a. | Rate increase by 1% p.a. | Rate increase by 2% p.a. |
|---|---|---|---|
| Monthly instalment | RM18,769.61 | RM20,41.97 | RM22,138.18 |
| Total profit | RM1,504,706.40 | RM1,900,072.80 | RM2,313,163.20 |
| Total payment | RM4,504,706.40 | RM4,900,072.80 | RM5,313,163.20 |

## 4 OTHER KEY TERMS

- You are required to inform us of any change in your contact details.
- Takaful coverage is optional; however, you or your supplier are advised to subscribe to appropriate Takaful protection.
- If you do not meet the minimum credit requirement, we may require guarantor(s) or collateral in order for you to proceed with the submission.
- Agensi Kaunseling dan Pengurusan Kredit (AKPK) 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 Enterprises (SMEs).



**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 these PDS.

☐ I have read and understood the key information contained in these PDS.

☐ Business Financing-i (BF-i)
☐ Business Cash Line-i (BCL-i)
☐ Letter of Credit (LC-i)
☐ Trade Tawarruq-i (TTQ-i)
☐ Trade Working Capital Financing-i (TWCF-i)
☐ Shipping Guarantee-i (SG-i)
☐ Bank Guarantee-i (BG-i)

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Name:
Date: