

Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information on Business Cash Line-i. Other customers have read this PDS and found it helpful, you should read it too.

1 WHAT IS BUSINESS CASH LINE-i (BCL-i)

Business Cash Line-i is a revolving financing product designed for the Bank's non-individual customers to cater for their working capital requirement. The facility is offered at a variable rate where the monthly payment is calculated on daily basis based on utilized financing amount. Please note that the Bank may charge Floor Rate for the unutilized portion as detailed out under section 4 below. The Bank may vary the variable rate from time to time based on changes to the Bank's Base Financing Rate (BFR) provided always the total payment shall not exceed the Bank's Sale Price.

The applicable Shariah contract 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, **as an illustration**:

- Your Facility Limit = **RM1,000,000.00**
- Your Facility Tenure = **1 year**
- Ceiling Profit Rate = **15% p.a.**
- Sale Price = **RM1,083,099.72**
- Effective Profit Rate = ***BFR (5.47% p.a.) + 1.50% p.a. = 6.97% p.a.**

Note: 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.

*The BFR is assumed at 5.47% p.a. while the spread at 1.5% p.a. Please refer to Bank Islam's website <https://www.bankislam.com/deposit-financing-rates/> for the latest BFR.

You have to pay the following fees and charges:

- I. **Stamp duty:** 0.5% of financing amount.
- II. **Agency fee:** RM50.
- III. **Processing fee** (only applicable for non-SME).
- IV. **Legal Fee:** Legal fee and disbursement including solicitor's fee for preparing financing documentation, registration of charge, land search and bankruptcy search (where applicable).
- V. **Cancellation of the facility:** All costs incurred by Bank Islam, if any, for the preparation, registration of security documents and expenses incurred during the claim process upon cancellation.
- VI. **Late payment charges:** 1% p.a. on the overdue instalments.

Note: Please refer to our website at www.bankislam.com for further details on fees and charges.

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.

It is your responsibility to:



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



Pay your **monthly payment** timely based on the **utilisation amount** within **1 year**. The principal amount is to be paid in full at maturity.



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.

4 OTHER KEY TERMS

- The Bank’s Effective Profit Rates (EPR) offered may fluctuate during the tenure of the financing for facility with variable rate. An increase in BFR may result in higher monthly payment. However, the Bank’s EPR and Floor Rate should not exceed the Ceiling Rate.
- The Floor Rate is a one per centum (1%) per annum which is to be calculated on daily basis on the unutilised limit of BCL-i. This Floor Rate will be imposed to you during the tenure of the financing subject to the following:
 - I. Applicable to financing limit of RM250,000.00 and above.
 - II. Chargeable on account with utilisation of less than fifty per centum (50%) of the approved financing limit after expiry of three (3) months grace period upon activation of the facility or renewal of facility.

Notwithstanding to the above, subject to our evaluation and with sufficient prior notice to you, we may waive the Floor Rate at any point during the tenure of the facility until next review date.
- To inform us of any change in your contact details.
- Takaful coverage is optional, however you or your supplier is advised to subscribe to any 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 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
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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: