

Dear Customer,

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

1 WHAT IS EXPORT CREDIT REFINANCING-i (ECR-i)

ECR-i facility is a facility offered:

- I. To facilitate the financing of the customer's purchases/ imports of raw materials/ finished goods/ payments of production costs pertaining to exports of eligible goods under EXIM Bank ECR Pre-shipment Scheme.
- II. To facilitate financing of the customer's exports of eligible goods to approved buyers/ importers under EXIM Bank ECR Post-shipment Scheme.

This facility can assist to fund your business/ company's working capital requirements by financing your goods purchased/ sales, with payment to be deferred to maturity date.

The applicable Shariah contracts are as follows:

Contract	Description	Applicability
Murabahah (cost plus financing) contract	A contract of sale based on cost plus where the acquisition cost and the seller's profit margin are disclosed to the buyer at the time of the contract. The settlement of the price is normally made on deferred payment terms.	Pre-shipment ECR-i Under the Murabahah, Bank Islam first appoints the customer as its purchasing agent, to buy the raw materials required in the production. Once the customer has purchased the goods on behalf of Bank Islam, Bank Islam then pay to the indirect supplier upon submission of invoice and resells the goods to the customer at a price inclusive profit margin.
Bai' Dayn (debt trading) contract	It refers to the buying and selling of debt instrument e.g. certificates, securities, trade documents and papers in the secondary market that conform to the Syariah requirements. All these documents are essentially issued by debtors to creditors as evidence of indebtedness. The Bai' Dayn happens when the creditor sell the debt documents to third parties. Only documents evidencing real debts arising from 'bona fide' merchant transactions can be traded.	Post-shipment ECR-i Under this mechanism, the customer, as owner of the export bill e.g. the debt instrument, appoints Bank Islam as collecting agent to collect payment from the importer. Since payment is payable at a specific future date, the exporter sells the debt to Bank Islam for immediate funds.

2 KNOW YOUR OBLIGATIONS

For this facility, as an illustration for pre-shipment:

- Your Financing/ Invoice Amount = RM704,000.00
- Invoice Date = 30/06/2025
- Application Submission Date = 04/07/2025
- Your Facility Tenure = 120 days
- Financing Tenure = 116 days
- Bank Islam's Profit Rate = 5.33% p.a.*
- Bank Islam's Sale Price = RM715,925.18
- Bank Islam's Profit Margin = RM11,925.18

In total you will pay RM715,925.18 at the end of 116 days.

For this facility, as an illustration for post-shipment:

- Your Financing/ Invoice Amount = RM704,000.00
- Invoice Date = 30/06/2025
- Application Submission Date = 04/07/2025
- Your Facility Tenure = 120 days
- Financing Tenure = 116 days
- Bank Islam's Profit Rate = 5.33% p.a.*
- Bank Islam's Purchase Price = RM692,074.82
- Bank Islam's Profit Margin = RM11,925.18

In total you will pay RM704,000 at the end of 116 days.

It is your responsibility to:



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



Pay **Bank Islam's Sale/ Purchase Price** plus relevant **fees and charges** on the payment due date.



Contact us immediately if you are unable to meet your payment obligation.

**Note: For this illustration, Bank Islam's Profit Rate comprises of 4.33% (which is determined by EXIM Bank from time to time) plus 1% (maximum margin allowable to be added by Bank Islam).*

You have to pay the following fees and charges:

- I. Stamp duty: as per the Stamp Duty Act 1949 (Revised 1989), if applicable.
- II. Fees and Commission.
- III. SWIFT / Rentas Charges (if any).
- IV. Postage and Courier (if any).
- V. Cancellation of the facility: you are to pay Bank all costs (if any) for the preparation and registration of security documents that has been incurred by Bank Islam in connection with the facility including all expenses incurred during the claim process.
- VI. Late payment charges: Shall be paid by way of Ta`widh (compensation charge) referring to a sum equivalent to the prevailing daily overnight Islamic Interbank Money Market Rate on outstanding balance i.e. outstanding Sale Price less Ibra' (if any).

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

3 KNOW YOUR RISKS

What happens if you ignore your obligations:

- I. You are to compensate us for any actual loss incurred by us due to your breach of promise (Wa`d) and undertaking to purchase the goods from us.
- II. You **pay more in total** due to late payment charges (compensation charges/ Ta`widh).
- III. We may **deduct** money from any account you have with us to set off your financing outstanding balance.
- IV. We may **take legal action** against you and **exercise all remedies** available under security arrangement.
- V. Your **credit score** may be affected leading to credit being more difficult or expensive to you.
- VI. If you fail to settle matured ECR-i, you are **not allowed** to further utilize the facility and the recovery process including **legal process may be taken** against you to recover the amount due.
- VII. Cross default of other facilities with Bank Islam may be triggered.

4 OTHER KEY TERMS

- To inform us of any change in your contact details.
- Takaful coverage is optional, however, you or your supplier/ buyer is advised to subscribe to any appropriate Takaful protection.
- No guarantor or collateral is required for this facility.
- 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: