

<p><b>PRODUCT DISCLOSURE SHEET</b></p> <p>Please read this Product Disclosure Sheet before you apply and decide to accept the PENJANA Tourism Financing (PTF). Be sure to read the terms and conditions in the letter of offer. Seek clarification from the Bank if you do not understand any part of this document or the general terms.</p>	<p><b>BANK ISLAM MALAYSIA BERHAD</b>  <b>[Registration No. 198301002944 (98127-X)]</b></p> <p><b>PENJANA Tourism Financing (PTF)</b>  <b>11 January 2022</b></p>
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## 1. WHAT IS THIS PROGRAM ABOUT?

- PENJANA Tourism Financing (PTF) is a financing programme designed to support viable Small and Medium Enterprise (SMEs) in the tourism sector by preserving their capacity and assisting them to adjust and remain viable post COVID-19. This financing is an initiative by Bank Negara Malaysia (BNM) where RM 600 million fund is allocated for this purpose.
- Under this programme, the customer will be offered Tawarruq based Business Financing-i (BF-i) product at fixed rate.
- Offered to Malaysian SMEs (at least 51% shares held by Malaysians) in the core tourism and tourism related sector which are either:
  - i) SMEs as defined by SME Corp Malaysia at point of application
    - Companies Commission of Malaysia either under the Registrar of Business Act (1956) or the Companies Act 1965 and/or the Companies Act 2016 or Limited Liability Partnership Act 2012 (private limited, sole proprietorship and partnership); or
    - Respective authorities or district offices in Sabah and Sarawak; OR
    - Licensed by / registered with Ministry of Tourism, Arts & Culture (MOTAC);
  - The eligible sectors are as follows:
    - i) Core tourism:
      - Tourism accommodation premises (e.g. budget hotels, registered homestays, chalet and resorts)
      - Travel agencies and tour operators; and
      - Transportation for tourist (e.g. bus, boat and car rental operators);
    - ii) Tourism-related sectors:
      - Medical tourism;
      - MICE (Meetings, Incentives, Conferences, Exhibitions) ecosystem;
      - Tourism-related retail, recreation and wellness that can justify significant reliance on tourists.
    - iii) Money services businesses
    - iv) Capacity building institutions which are primarily set up to provide tourism related courses / training and licensed by or registered with MOTAC (e.g. Tourism Training Institute)

**Note:** Special Relief Facility's (SRF) and/or PENJANA SME Financing's (PSF) recipients are eligible for the PTF.

## 2. WHAT IS THE SHARIAH CONCEPT APPLICABLE?

- **The Shariah concept used is Tawarruq.**  
 A tawarruq consists of two sale and purchase contracts. The first involves the sale of an asset by a seller to a purchaser on a deferred basis. Subsequently, the purchaser of the first sale will sell the same asset to a third party on a cash and spot basis
- **Tawarruq concept is further described as follows:-**

Customer purchases commodity from the Bank based on Murabahah contract at the Bank's Sale Price. In this arrangement, the purchase will be performed by the Bank as the Purchase Agent for the customer. As the Sale Agent for the customer, the Bank shall sell the commodity to a commodity purchaser at cost price. Proceeds from the transaction will be credited for the customer's utilization. The customer is obliged to pay the amount due from the Murabahah transaction as per the agreed terms.

"Commodity" means any commodity acceptable to the Bank e.g. palm oil, plastic resin, rubber, cocoa beans, soy beans, timber and metal (excluding gold and silver) traded at any commodity trading platform approved by the Bank. The purchase and sale of the commodity are performed based on the mandate of the customer, where the Bank as Purchase Agent and Sale Agent trades the Commodity as made available and provided by commodity providers subject to the Bank prevailing policies.

▪ **The product structure for BF-i is as follows:**

No	Description
1	Customer obtains financing from the Bank and executes Tawarruq transaction documents.
2	Bank buys commodity from Commodity Supplier.
3	Bank sells commodity to customer on Murabahah at Selling Price. In this arrangement, the purchase will be performed by the Bank as the Purchase Agent to the customer.
4	Bank acting as Sale Agent, on behalf of the customer, sell the commodity to the Commodity Buyer at cost price.
5	The Bank credits Customer's account with proceeds from the sale of commodity
6	The Customer settles the amount due to the Bank (from Murabahah sale) by way of agreed payment terms.

**3. WHAT DO WE GET FROM THIS PROGRAM?**

No.	Features	Details
1.	<b>Fund Allocation</b>	RM 600 million
2.	<b>Financing Product</b>	Business Financing-i (BF-i)
3.	<b>Financing Type</b>	Term Financing
4.	<b>Financing Amount</b>	<ul style="list-style-type: none"> <li>▪ SME: Up to RM500,000 per SME</li> <li>▪ Microenterprise: Up to RM75,000 per micro enterprise</li> </ul> <p><b>Note:</b></p> <ul style="list-style-type: none"> <li>a) A collective financing limit is applicable for SMEs with common shareholder(s) of equal to or more than 20% shareholding.</li> <li>b) This is subject to the aggregate group limit not exceeding RM10.0 million for all SJPP guarantee schemes, including this financing. Group is defined as companies under the same group by way of shareholding (holding 50% or more), directors (providing guarantees) and guarantors related.</li> </ul>
5.	<b>Financing Purpose</b>	<ul style="list-style-type: none"> <li>▪ Working Capital Requirement (WCR); and/or</li> <li>▪ Capital Expenditure (CAPEX); and/or</li> <li>▪ Refinancing of up to 50% of total financing approved</li> </ul>

		<p><b>Note:</b></p> <p>a) Legal documentation cost and agency fee to be included into the financing. Customer has an option to pay the legal documentation on their own.</p> <p>b) 50% of financing approved can be used to refinance existing business financing from financial institutions and other sources including credit/ leasing companies (existing business financing excludes financing obtained under BNM's Fund for SMEs)</p> <p>c) Financing shall not be used for the following activities:</p> <ul style="list-style-type: none"> <li>i) Purchase of shares;</li> <li>ii) Purchase of land/ real estate investment;</li> <li>iii) Property development;</li> <li>iv) Investment by investment holding companies;</li> <li>v) Activities where the stock in trade is money (including credit, leasing, factoring and insurance businesses), except for money changing operators;</li> <li>vi) Gambling, alcohol, tobacco or other similar activities/ products; and</li> <li>vii) Non-Shariah compliant activities (applies to Islamic financing only)</li> </ul>												
6.	<b>Margin of Financing</b>	<ul style="list-style-type: none"> <li>▪ 100% on WCR; and/or</li> <li>▪ 100% on CAPEX; and/or</li> <li>▪ 50% on refinancing of existing Business Financing</li> </ul>												
7.	<b>Profit Rate</b>	Up to effective rate of 3.50% per annum (inclusive of guarantee fee)												
8.	<b>Tenure</b>	<ul style="list-style-type: none"> <li>▪ Up to 7 years, with at least 6 months moratorium on monthly instalments for both principal and profit payments</li> <li>▪ In addition to the existing six-months payment deferral, the facility will also provide SMEs with the option of profit payments only for an additional period of twelve months</li> </ul>												
9.	<b>Collateral</b>	Not required												
10.	<b>Guarantee coverage</b>	<ul style="list-style-type: none"> <li>• SME: 80% of the financing amount is guaranteed by SJPP</li> <li>• Microenterprise: Optional 90% guarantee cover by SJPP</li> </ul>												
11.	<b>Security</b>	<p><b>For Sdn Bhd:</b></p> <ul style="list-style-type: none"> <li>▪ Joint and several guarantee (JSG) of Directors and individual shareholders holding more than thirty percent (30%) of the share capital of the customers</li> </ul> <p><b>For Partnership:</b></p> <ul style="list-style-type: none"> <li>▪ Letter of Indemnity/Undertaking, whichever is applicable</li> </ul>												
<p><b>The sample calculation is illustrated below:</b></p> <table border="0"> <tr> <td>Financing Amount</td> <td>: RM 300,000.00</td> <td>Moratorium</td> <td>: 6 months</td> </tr> <tr> <td>Bank's Profit rate</td> <td>: 3.50%</td> <td>Payment (beginning on 7<sup>th</sup> month until 84<sup>th</sup> month)</td> <td>: RM4,373.12</td> </tr> <tr> <td>Tenure</td> <td>: 7 years</td> <td>Bank's Sale Price</td> <td>: RM341,103.20</td> </tr> </table>		Financing Amount	: RM 300,000.00	Moratorium	: 6 months	Bank's Profit rate	: 3.50%	Payment (beginning on 7 <sup>th</sup> month until 84 <sup>th</sup> month)	: RM4,373.12	Tenure	: 7 years	Bank's Sale Price	: RM341,103.20	
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<p><b>Formula on calculation of profit :</b></p> $\Pi = P \times r \times t$ <p style="text-align: center;"><b>N</b></p>		<p><b><math>\Pi</math> = Profit</b></p> <p><b>P = Principal amount</b></p> <p><b>r = Financing Rate</b></p> <p><b>t = number of days</b></p>												

**N = total number of days in a year**

Note: The above example is only for illustration purpose and it may not show the actual financing obligation.

#### 4. WHAT ARE MY OBLIGATIONS?

- You are required to pay the monthly instalment as approved by the Bank.
  - Example (based on question 3 above)**
    - Your monthly instalment is RM4,373.12
    - Total payment amount at the end of 7 years is RM341,103.20
- During the 6 (six) months moratorium period, you are not required to pay any instalment (both principal and profit). However the principal and profit will be incorporated into the monthly instalment on the remaining tenure.
- You are obliged to pay the monthly installment starting from the 7th month until full settlement of the financing. However, you may opt at any time to fully settle the financing.

#### 5. WHAT ARE THE FEES AND CHARGES THAT WE HAVE TO PAY?

- Stamp Duty (as per Stamp Duty Act 1949 (Revised 1989)).
- Legal fee & disbursement including solicitor's fee for preparing financing documentation, registration of charge, land search and bankruptcy search (where applicable).
- Takaful fee (if applicable).
- Tawarruq Agency fee of RM50.00 for every Tawarruq transaction. –
- You are required to pay the Bank all costs (if any) for the preparation and registration of security documents that has been incurred by the Bank in connection with the facility including all expenses incurred during the claim process if the facility is cancelled.

#### 6. WHAT IF WE FAIL TO FULFILL OUR OBLIGATIONS?

Should you fail to fulfill your obligation in a timely manner, the following shall apply: -

- **Event of Default:**
  - a) the Bank may by written notice to you, demand for immediate payment of amount overdue from you and/ or the guarantor.
  - b) the Bank has the right to set off your deposit or any other account(s) maintained with the Bank towards settlement of overdue payment under these facilities granted by the Bank.
  - c) the Bank has the right to take legal action against you if you fail to response to the reminder notices. The Bank shall exercise its right on any security pledged with the Bank and you are to bear all the cost involved. You are also responsible to settle any shortfall. Legal action against you may affect your credit rating leading to any future credit assessment being more difficult or expensive to you, and;
  - d) Cross default of other facilities with the Bank may be triggered.
- **Late Payment**  
 The Bank shall impose Ta'widh (compensation for late payment) to you as follows:
  - a) **Before maturity of the facility**  
 A sum equivalent to one per centum (1%) per annum on overdue instalment(s) until date of full payment.  
 Formula:  

$$\text{Overdue instalment(s)} \times 1\% \times \text{No. of overdue day(s)} / 365$$

**b) After maturity of the facility**

A sum equivalent to the prevailing daily overnight Islamic Interbank Money Market Rate (IIMM) on outstanding balance i.e., outstanding Sale Price less ibra' (rebate) (if any).

Formula:

Outstanding Sale Price (less ibra'(rebate)) x Prevailing IIMM% x No. of overdue day(s) / 365

**c) Post judgment debt**

A sum equivalent to the prevailing daily overnight Islamic Interbank Money Market Rate on basic judgment sum calculated from judgment date until date of full payment.

Formula:

Outstanding Sale Price (less ibra'(rebate)) x Prevailing IIMM% x No. of overdue day(s) / 365

Note: The imposition of Ta'widh shall be in such manner as approved by BNM.

**7. WHAT IF WE FULLY SETTLE THE FINANCING BEFORE ITS MATURITY?**

- The Bank undertakes to grant you an ibra' (rebate) which is equivalent to the deferred profit at the point of settlement.

**ibra' (rebate) Formula:**

**ibra' (Rebate on early settlement) = Deferred Profit**

Note:

- Deferred Profit = Total Contracted Profit – Accrued Profit
- Total Contracted Profit = Sale Price – Purchase Price (or Financing Amount)
- Accrued Profit is calculated based on effective profit rate of the outstanding Purchase Price (or Financing Amount) being disbursed (or utilized)

- The Bank does not impose a lock-in period for this facility and there is no fee imposed for early settlement before maturity.

**8. DO WE NEED A GUARANTOR OR COLLATERAL?**

No collateral required for this programme. However as additional securities, the Bank will require 80% guarantee by SJPP and other guarantees (where applicable) as listed in answer to Question 3 above, under item 11 – Security.

**9. WHAT DO WE NEED TO DO IF THERE ARE CHANGES TO OUR CONTACT DETAILS?**

It is important for you to immediately inform us of any changes in your contact details to ensure that all correspondences reach you in a timely manner.

**10. WHERE CAN WE GET ASSISTANCE AND REDRESS?**

- If you have difficulties in servicing the payments, you should contact us earliest possible to discuss the payment options. You may contact us at:

**SME Banking**

**Bank Islam Malaysia Berhad**

16th Floor, Menara Bank Islam

No 22, Jalan Perak,

50450 Kuala Lumpur

Fax: 03-2688 2711

Email: [sme-assist@bankislam.com.my](mailto:sme-assist@bankislam.com.my)

- Alternatively, you may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services and money management, credit counseling, financial education and debt restructuring for SME. You can contact AKPK at:

**Agensi Kaunseling dan Pengurusan Kredit (AKPK)**

Level 5 and 6,

Menara Bumiputra Commerce

Jalan Raja Laut

50350 Kuala Lumpur

Tel: 603 -2616 7766

Fax: 603 -2616 7601

Website: [www.akpk.org.my](http://www.akpk.org.my)

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

**Contact Centre & Customer Care**

**Bank Islam Malaysia Berhad**

17th Floor, Menara Bank Islam

No 22, Jalan Perak,

50450 Kuala Lumpur

Tel: 03-26 900 900

Fax: 03-2782 1337

Email: [customercare@bankislam.com.my](mailto:customercare@bankislam.com.my)

- If the 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: [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)

## 11. WHERE CAN WE GET FURTHER INFORMATION?

- Should you require additional information about the program, please refer to our branches or contact:

**Contact Centre & Customer Care**

**Bank Islam Malaysia Berhad**

17th Floor, Menara Bank Islam,

No. 22, Jalan Perak,

50450 Kuala Lumpur.

Tel: 03-26 900 900

Email: [contactcenter@bankislam.com.my](mailto:contactcenter@bankislam.com.my)

**IMPORTANT NOTE: LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DO NOT KEEP UP PAYMENTS OF YOUR FACILITY.**

The information provided in this Product Disclosure Sheet is valid as at 11/01/2022.

**Acknowledge Receipt by Customer**

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Name:

I/C Number:

Date: