PRODUCT DISCLOSURE SHEET

Dear Customer,

Read and understand this Product Disclosure Sheet ("PDS") before you decide to apply this product. Please seek clarification from Alliance Islamic Bank ('Bank') if you do you have any queries.

ALLIANCE ISLAMIC BANK

Alliance Islamic Bank Berhad ("Bank")

Date:

1. What is this Murabahah Working Capital Financing-i (MWCF-i)?

- Murabahah Working Capital Financing-i (MWCF-i) is a trade product offered to finance:
  a) cash purchases/imports at sight
  b) credit sales/exports, at least a minimum of 30 days
- The applicable Shariah contract is Murabahah to the Purchase Orderer (MPO).
  Murabahah refers to a sale and purchase of an asset where the acquisition cost and the mark-up are disclosed to the purchaser.
- MPO refers to an arrangement whereby the purchase orderer (purchaser i.e. Customer) promises (Wa'd) to purchase an identified and specified asset from a seller (i.e. the Bank) on Murabahah terms upon the latter's acquisition of the asset.

2. Know Your Obligations

For this financing, **as an illustration**:

- Your financing amount / Limit: **RM 1,000,000**
- Utilised Amount : RM200,000 (selling price)
- Tenure: **90 days**
- Profit Rate: **9%** (RM4,438.36)

The Selling Price (principal plus profit) will be RM 204,438.36.

Note:
The formula to calculate the profit is: Utilised Amount x Profit Rate x Tenure (in days) / Number of days in a year

IMPORTANT:

- The Selling Price which is inclusive of profit charges is fixed at the point of each disbursement and calculated based on the prevailing Profit Rate.
- You are required to settle the financing amount plus profit on the maturity date. You may make partial settlement at any time during the tenure of the financing.

It is your responsibility to:

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

Make payments promptly on the due dates.

Contact us immediately, if you are having difficulty meeting your financing obligations.

You have to pay the following fees and charges:

Type of Fee/Charge	Details of Fee/Charge
Stamp duty	As per Stamp Duty Act 1949 (including any revision made thereto).
Commission (open account trade settlement)	0.1% on the invoice value. Minimum: RM100.00 Maximum: RM300
Late Payment Charges ("LPC")	See table below
Other Fees and Charges	Please refer to the Bank's corporate website alliancebank.com.my/islamic-fees-and-charges for details. Kindly note that the fees and charges on the Bank's website are updated from time to time.

No.	Scenario	Compensation (Ta'widh) Rate	Calculation Based On	Period
1	Default **leading to recall or court action before maturity**	Bank's actual cost, **not exceeding 1% p.a.** or BNM's prescribed maximum rate	Outstanding principal + accrued profit	From due date to settlement or judgement (whichever earlier)
2	Default **after maturity date**	Bank's actual cost, **not exceeding the prevailing daily overnight IIMM rate**	Outstanding principal + accrued profit	After maturity date until settlement
3	Default **leading to recall and judgement (post-judgement charges)**	**Prevailing IIMM rate** as prescribed by Bank Negara Malaysia	Outstanding balance (excluding previous late charges/costs)	From date of judgement until full settlement of judgement sum

You will be notified of any changes to the fees and charges at least twenty one (21) calendar days prior to the effective date(s) of such changes.

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

If you make a partial payment prior to the maturity of the financing ("pre-payment") your liability will reduce accordingly as profit for the remaining tenure after pre-payment will be calculated based on the lower principal balance. If you fully settle the financing prior to maturity ("early settlement") the Bank will not collect profit for the remaining tenure after settlement. The Bank will grant rebate (*ibra'*) on the Selling Price (total obligation for the financing) due to the pre-payment/early settlement based on the formulas as set out below in the event of any of the following scenarios:

i. Early redemption / settlement, where the customer has given prior written notice to the Bank;
ii. Settlement due to restructuring of the Facility;
iii. Settlement by customer where the Facility is in default / after the Bank executed foreclosure proceedings and auctioned the asset pledged as collateral;
iv. Settlement by customer in the event of termination or cancellation of Facility before the maturity date.

Formula:
Settlement Amount = Outstanding Facility Amount + Profit due – rebate (ibra') + Late Payment Charges (if any) + Miscellaneous charges (if any) Where: **Rebate (ibra') = Deferred profit – Early Settlement Charges (if any)**
Note: The remaining unearned profit is equal to unrealised profit at the time of full settlement.

3. Know Your Risks

What happen if you fail to make payment?

1. You **pay more in total** due to late payment charges.
2. We may **deduct** money from any deposit account you have with us to set-off your financing balance.
3. We may **foreclose** your property or **take legal action** against you.
4. Your **credit score** may be affected, leading to credit being more difficult or expensive to you.

4. Other Key Terms

Change of contact details	It is important that you inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner.
Takaful coverage	The following takaful coverage are recommended/required to be taken from the Bank's panel: • Mortgage Reducing Term Takaful (MRTT) or any equivalent takaful coverage policies to cover the company in the event of death or permanent disability of the Customer or key men of the company (if applicable). • Fire takaful if property is given as security for the financing (compulsory).
Guarantor or collateral	The Bank may require a guarantor to provide a guarantee for the facility or collateral from you to secure the facility. This is subject to the credit evaluation by the Bank.

If you have any questions or require assistance on your MWCF-i, you can:

Call us at
03-5624 3888

Visit us at:
alliancebank.com.my/Islamic

Email us at:
info@alliancefg.com

Scan the QR code above

If your query or complaint is not satisfactorily resolved by us, you may contact:- **BNMLINK – Enquiries & Complaints** Address: 4th Floor, Podium Bangunan AICB, No. 10, Jalan Dato' Onn, 50480 Kuala Lumpur. Webpage: bnm.gov.my/BNMLINK	**If you have difficulties in making payments**, you should contact your relationship manager as soon as possible to discuss payment alternatives. Alternatively, you may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK). AKPK offers specialised solutions to help small and medium enterprises (SMEs) to manage their debt and promote sound financial management practices via their Small Debt Resolution Scheme (SDRS). AKPK's services can be accessed via their online channel at akpk.org.my/contact-us.

Customer's Acknowledgement*
Ensure you are filling this section yourself and are aware of what you are placing your signature for.

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

……..
Name:
Date:

**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.*