



Small Medium Enterprise Development  
Bank Malaysia Berhad 49572-H  
(Formerly known as Bank Perusahaan Kecil &  
Sederhana Malaysia Berhad)

## PRODUCT DISCLOSURE SHEET

(Read this Product Disclosure Sheet before you decide to take-up the IJA TF-i. Be sure to also read the terms in the Letter of Offer. Seek clarification from your institution if you do not understand any part of this document or the general terms)

### ***Ijarah Term Financing-i (IJA TF-i)***

Date :

#### 1. What is the product about?

IJA TF-i is a leasing facility whereby the Bank (lessor) leases out the identified asset to customer (lessee). Customer will then uses the asset to run their business and generate sales. At the end of the lease period, the asset will be returned to the Bank but the customer has the option to purchase the asset or the Bank will sell the asset to a third party.

#### 2. What is the Shariah concept applicable?

- The Shariah concept applied is Ijarah.
- Ijarah refers to leasing of assets whereby the Bank as lessor, leases out the identified asset to customer or lessee at an agreed rental payment and pre-determined lease period upon the 'aqd (contract). The ownership of the asset remains with the lessor while the lessee only owns the right to use the asset.

#### 3. What do I get from this product?

##### Illustration:

- |   |  |
|---|--|
| • <b>Total Rental</b> : RM930,720.00                            | • <b>Profit rate</b> : 4.00% p.a. for the whole tenure |
| • <b>Bank's Purchase Price: RM842,250.00 (Financing Amount)</b> | • <b>Margin of Financing:</b> 90.0%                    |
|   | • <b>Tenure</b> : 5 years                              |

*Note: The above example is only for illustration. The Illustration may not show the specific circumstances or obligations of each IJA TF-i*

#### 4. What are my obligations?

##### Illustration:

- Monthly rental : RM15,512.00
- Total amount of rental payment at the end of 5 years is RM930,720.00
- Payment can be in the form of cheque by mail, cheque / cash deposit at Branch or by interbank GIRO from any participating bank branch or online banking.

*Note: The above example is only for illustration. The Illustration may not show the specific circumstances or obligations of each IJA TF-i*

#### 5. When I will be granted the Ibra'?

Not Applicable

#### 6. What are the charges that I have to pay?

##### a) Stamp Duties:

As per the Stamp Duty Act 1949 (Revised 1989).

##### b) Legal fee / Company searches:

As charged by the Lawyer (if applicable).

##### c) Valuation report:

As charged by the Valuer (if applicable).

**d) Takaful/insurance coverage:**

Takaful/insurance coverage is mandatory if the asset is given as security for the financing (if applicable).

**e) Late payment charges:**

- Before maturity – Overdue Rental Payment(s) x 1.0% x No. of Day(s) Overdue / 365
- After maturity – Outstanding Balance x IIMMR x No. of Day(s) Overdue / 365
- Post Judgement – Judgement Sum x IIMMR x No. of Day(s) Overdue / 365

Note: IIMMR = Islamic Inter-bank Money Market Rate (%)

**7. What if I fail to fulfill my obligations?**

- Late payment charges stated above will increase the total outstanding.
- If your monthly rental remains unpaid after 6 months, the Bank has the right to repossess the asset and your financing account shall be classified as Non-Performing Financing (NPF). This will affect your further utilisation of other banking facilities with the Bank.
- Legal action will be taken if you fail to respond to reminder notices. The security may be enforced and you will have to bear all costs. You are also responsible to settle any shortfall after the security is enforced.
- Legal action against you may affect your credit rating leading to credit being more difficult or expensive to you.

**8. What if I fully settle the financing before its maturity?**

Depending on the specific terms of the IJA TF-i, you may be subject to early settlement charges if you fully settle the IJA TF-i during the Lock-in Period (if any).

**9. Do I need a guarantor or collateral?**

We will evaluate this requirement and advise you on it before we offer the IJA TF-i facility.

**10. What do I need to do if there are changes to my contact details?**

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

**11. Where can I get assistance and redress?**

- If you have difficulties in making payments, you should contact us as soon as possible to discuss payment alternatives. You may contact us at:

Contact Centre: 1-800-88-3131

Website: [www.smebank.com.my](http://www.smebank.com.my)

- If you wish to complain about the products and services provided by us, you may contact us at 1-800-88-3131 or email us at [customercare@smebank.com.my](mailto:customercare@smebank.com.my) or send your letter to:

Head of Customer Relations Enhancement

SME Bank, Level 7, Menara SME Bank

Jalan Sultan Ismail

50250 Kuala Lumpur

- If our reply to your query or complaint is not satisfactory to you, 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: 03-21741515

E-mail: [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)

**12. Where can I get further information?**

For more information on obtaining a financing facility, please refer to *bankinginfo* booklet, available at all our branches and the [www.bankinginfo.com.my](http://www.bankinginfo.com.my) website.

**13. Other asset financing packages available?**

We also provide asset financing, working capital financing, contract financing, i-EPF, i-Cash and dedicated product programs such as i-SPLASH, i-REACH and i-SURF.

**IMPORTANT NOTE: LEGAL ACTION MAY BE TAKEN AGAINST YOU IF INSTALMENTS ON YOUR TERM FINANCING-i ARE NOT PAID PROMPTLY ON THE DUE DATES**

*As per Bank Negara Malaysia & Shariah Committee approval*