

<p><b>PRODUCT DISCLOSURE SHEET (PDS)</b></p> <p>(Read this Product Disclosure Sheet before your business/company decides to take up the Revolving Financing-i. Be sure to also read the general terms and conditions.)</p>	<p>HSBC Amanah Malaysia Berhad Revolving Financing-i (“RF-i”) Date : [dd/mm/yyyy]</p>
<p><b>1. What is this product about?</b></p>	
<p>This facility is to finance [RM to complete purpose of the term financing]</p>	
<p><b>2. What is the Shariah concept applicable?</b></p>	
<p>The applicable concept is Commodity Murabahah (cost plus profit). Under this concept, the customer will appoint the Bank as their agent to buy on their behalf, Shariah-compliant commodities, such as non-precious metals, from the Bank as seller at the Bank’s deferred selling price (i.e. cost price plus profit at ceiling profit rate p.a.). After that, the Bank as the customer’s agent will sell Shariah-compliant commodities which the customer has bought, at cost price to another commodities buyer. The customer is entitled to this cost price which represents the facility amount under RF-i. The customer is obliged to pay the deferred selling price to the Bank based on terms and conditions governing the RF-i.</p> <p>The RF-i profit is set at the agreed Contracted Profit Rate (“CPR”) of 15%. However, the Bank will charge the customer based on the drawdown amounts computed at Effective Profit Rate (“EPR” i.e. KLIBOR/Bank’s Base Financing Rate plus/minus a margin). The difference between CPR and EPR will be granted as a rebate (“ibra”) to the customer. Thus, provided EPR stays below the CPR, customers are only expected to pay the EPR. The Bank cannot charge the customer more than the CPR under the facility.</p>	
<p><b>3. What do I get from this product?</b></p>	
<ul style="list-style-type: none"> <li>• Financing amount : RM[xx]/USD[xx]..etc</li> <li>• Margin of financing : [xx]%</li> <li>• Bank’s Sale Price : RM[xx] USD[xx]..etc</li> <li>• Contracted profit rate (CPR)*: 15% p.a.</li> <li>• Effective Profit rate : [xx]% plus prevailing [LIBOR/KLIBOR/Bank’s Cost of Funds] of the same periodicity as the roll-over tenor] p.a. *The EPR shall not exceed the CPR at all times</li> </ul> <p>[RM to specify the terms and conditions for this product]</p> <p>(The present [x]-month(s) LIBOR / [x]-month(s) KLIBOR / Bank’s Cost of Funds is at [insert rate]% per annum)</p>	
<p><b>4. What are my obligations?</b></p>	
<ul style="list-style-type: none"> <li>• Monthly instalment : The payment is based on the utilisation of facility limit Customer may be required</li> </ul>	

to provide a guarantee or any other acceptable security to secure payments due to the Bank.

## 5. What are the fees and charges I have to pay?

- Brokerage/Trading fee for commodity trading:
  - Bursa Commodity House (BCH): 15 per currency per million or;
  - London Metal Exchange (LME): 10 per currency per million\*  
*subject to a minimum brokerage fee of USD10 (if commodities traded on the London Metal Exchange are purchased).*
- Holding administrative fee (applicable for BCH only):
  - RM10 per million for holding commodity exceeding first two (2) hours and for every succeeding hours
- Stamp Duties  
As per Stamp Duty Act 1949 (Revised 1989) and subject to any stamp duty exemption or remission orders, if any, as may be granted from time to time.
- Legal expenses : [RM to indicate]
- Other fees and charges : [RM to indicate the fees/charges as per the existing tariff and charges that customer need to pay]

*Note: The brokerage/holding fee shall be shared equally between the Bank and the customers. If the Bank decides to absorb the brokerage fees, RMs are to obtain necessary approval from business line.*

Where tax is chargeable on any of the above fees and charges, the applicable tax sum shall be imposed in addition to such fees and charges, and shall be payable by the customer.

Please refer to our schedule of tariff and charges at <https://www.business.hsbcamanah.com.my/en-gb/my-amh/generic/rates-tariff-and-charges> for full list of charges.

## 6. What if I fail to fulfil my obligations?

- Compensation charges:

During financing tenure	<p>1% p.a. on the overdue instalment</p> <p>Formula: overdue instalment amount in arrears x 1% x n/365 (n= number of days overdue)</p> <p>Example: If the customer's overdue instalment amount in arrears is RM100,000 and the number of days overdue is 20 days, the computation of compensation charge is as follows: RM100,000 x 1% x 20/365 = RM54.79</p>
After expiry of financing tenure	<p>At a rate not exceeding the prevailing IIMM-rate on the principal balance outstanding.</p> <p>(IIMM-rate is the daily weighted average overnight rate for Islamic financial instruments quoted in Malaysia's Islamic interbank money market).</p> <p>Formula: outstanding principal amount x IIMM-rate x n/365 (n= number of days overdue)</p> <p>Example: If the customer's overdue instalment amount in arrears is RM100,000; the IIMM rate is 2%; the number of days overdue is 20 days, the computation of compensation charge is as follows:</p>

$$RM100,000 \times 2\% \times 20/365 = RM109.59$$

- Right to set-off:
  - The Bank have the right to set-off any credit balance in your account(s) maintained with us, at any time with a notice against any outstanding balance in this financing account.
- Right to commence recovery activities:
  - In the event of default, the Bank has the right to demand for payment acceleration of the Bank's Sale Price and commence recovery activities such as foreclosure and bankruptcy proceedings.

## 7. What if I fully settle the financing before its maturity?

The Bank shall, subject to your compliance of all terms and conditions (including one (1) month's written notice), grant an Ibra' (rebate) to you in respect of any early settlement.

Formula:

Ibra' = Deferred Profit – Early Settlement Charges (if any)

Settlement Amount = Outstanding Sale Price + Instalment due + Late Payment Charges (if any) – Ibra'

### Illustration of RF-i Facility Profit & Early Settlement Computation

RF-i facility limit	:	RM100,000.00
Contracted Profit Rate	:	15%
Effective Profit Rate	:	8.60%
Tenure	:	1 year
Tenure Begins On	:	01 January 2015
Tenure Ends On	:	31 December 2015

### Example of Profit Computation

Total utilisation in January (31 days) = RM100,000.00

The Monthly Profit Charge (MPC) is calculated as follows:

MPC =  $\frac{\text{Actual CL-i utilisation} \times \text{Effective Profit Rate} \times \text{Actual No. of days}}{365}$

$$= \frac{RM100,000.00 \times 8.60\% \times 31 \text{ days}}{365} = RM730.41$$

### Example of Early Settlement

Customer wishes to early settle on the 31 January 2015, where:

$$\text{Deferred Profit} = \frac{RM100,000.00 \times 8.60\% \times (365 - 31 \text{ days i.e. remaining tenor})}{365} = RM 7,869.59$$

$$\text{Outstanding Selling Price} = RM100,000 + \frac{RM100,000.00 \times 8.60\% \times 365}{365} = RM 108,600.00$$

Early Settlement Charges: RM0

$$\text{Ibra}' = \text{Deferred Profit} - \text{Early Settlement Charges (if any)} = RM7,869.59 - RM0 = RM 7,869.59$$

$$\text{Settlement Amount} = \text{Outstanding Selling Price} - \text{Ibra}' = RM 108,600.00 - RM7,869.59 = RM100,730.41$$

Note: The values illustrated above may change according to a number of variables such as promptness of payments by customer, different amount of disbursement and prepayments.

## 8. Do I need any Takaful coverage?

Insurance/Takaful coverage is not mandatory for Commodity Murabahah Financing-i facility unless otherwise advised.

*Note: customers are free to obtain service of non-panel takaful operators for takaful coverage for the security charged to the Bank.*

#### **9. What are the major risks?**

- As the effective profit charged is dependent on floating benchmark rate used to price the facility (which is subject to fluctuate from time to time), you may incur higher profit charges when the floating benchmark rate moves upward.
- If you/your business/company have problems regularizing your account, contact us early to discuss payment alternatives.

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

It is important that the Bank is informed of any change in your business/company's contact details to ensure that all correspondences reach your business/company in a timely manner. Changes in your business/company's contact details should be formally submitted in writing and duly authorised by authorised signatories. Please contact your Relationship Manager for further clarification.

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

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

[RM to fill up contact details: name, address, contact number and e-mail address]

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

HSBC Amanah Malaysia Berhad  
Customer Experience Department,  
Level 18, North Tower, Menara HSBC,  
2 Leboh Ampang,  
50100 Kuala Lumpur,  
Malaysia.  
Fax: +603-2179 1111 (9.00AM to 4.00PM – Monday to Friday)  
E-mail: [complaints@hsbc.com.my](mailto:complaints@hsbc.com.my)

- If your query or complain 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 : 03-21741515  
E-mail : [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)

- We wish to also refer you to Agensi Kaunseling and Pengurusan Kredit ("AKPK") for further assistance on your restructuring / rescheduling application. AKPK provides the Small Debt Resolution Scheme (SDRS) services where you would be able to seek help and advice on debt restructuring services as

well as financial education and advisory. Should you be interested to receive advisory from AKPK, please call the POWER! AKPK Infoline at 03-2616 7766 for an appointment or visit your nearest AKPK branch office or counselling office.

## 12. Where can I get further information?

Please obtain additional information on RF-i from [name, address, contact number and e-mail address of RM] or visit our website at <https://www.business.hsbcamanah.com.my/en-gb>

## 13. Other financing products available:

- Cash Line-i
- Commodity Murabahah Financing-i
- Business Premises Smart-i
- Industrial Hire Purchase-i

### IMPORTANT NOTE:

The facility(ies) may be immediately suspended or terminated and all sums payable on demand in the event your business/company defaults in the payment of any sum due under the facility(ies) whether instalments, profit or otherwise. The asset may be repossessed if your business/company does not keep up with the payments.

The information provided in this disclosure sheet is valid as at [dd/mm/yyyy] [RM to indicate the relevant date]