

PRODUCT DISCLOSURE SHEET	ENGLISH VERSION
<p>REMINDER: You are reminded to read and understand the terms and conditions of this Product Disclosure Sheet before signing below. In the event there are any terms and conditions in this Product Disclosure Sheet that you do not understand, please seek independent advice and/or discuss with the Bank’s representative before signing below.</p>	<p>Bank : Affin Islamic Bank Berhad Product : AFFIN BizSolar-i</p> <p>Date of Issuance to Customer:</p> <p>_____</p> <p>(to be filled out upon application)</p>
1. What is this product about?	
<p>AFFIN BizSolar-i aims to provide financing of Solar Panel Photovoltaic System (“Solar PV System”) for business entities. It is also to align with the Bank’s Environmental, Social, and Governance(“ESG”) commitment in supporting the Government’s 12th Malaysia Plan for renewable and sustainable energy.</p> <ul style="list-style-type: none"> • The purpose of this facility is to finance customer’s Capital Expenditure (“CAPEX”), i.e. for purchasing and installation of Solar PV System for business properties; • The maximum financing tenure is up to 10 years (120 months). • The Margin of Financing (MOF) is up to 100% of the total cost pricing of the Solar PV System (*Inclusive pricing of the system, installation fee(s), charges(s), related equipment, such as charge controller, inverter, battery storage and other related items associated with the system). • The financing limit is up to RM5 million. Collateral and security acceptable to be provided under this facility is property, specific debenture or guarantee by Syarikat Jaminan Pembiayaan Perniagaan (SJPP). • For facility secured against property, the charge on the property is to be retained throughout the financing tenure to secure the existing financing. <p>Note: *Financing on extended warranty as add-on to the Solar PV system is not allowed.</p>	
2. What is the Shariah concept applicable?	
AFFIN BizSolar-i (secured against property)	AFFIN BizSolar-i (secured against specific debenture or guarantee)
<ul style="list-style-type: none"> ▪ Murabahah: Murabahah is a mark-up sale involving three parties, i.e., the Bank purchases the asset from the vendor/ supplier and sells it to the customer at the Bank’s Sale Price (as defined below) on a deferred payment basis. The Bank shall adopt the Murabahah to the Purchase Order (MPO). ▪ Wa’d (Promise): The customer promises to purchase an identified and specified asset from the seller (the Bank) on Murabahah terms upon the latter’s acquisition of the asset. ▪ Wakalah (Agency): The Bank shall appoint the customer as its agent to purchase the asset on behalf of the Bank pursuant to promise to purchase by the purchase orderer/customer. 	<ul style="list-style-type: none"> ▪ Tawarruq: consist of two sale and purchase contracts where the Customer purchases the Commodity from the Bank at a mark-up sale price (Bank’s Sale Price) on a deferred payment basis and subsequently sells the Commodity to a Commodity Supplier for cash at the Bank’s Purchase Price. The sale proceeds will be used to finance the solar installation. ▪ Wa’d (Promise): The Customer undertakes to purchase from the Bank a specific Shariah compliant commodity (“the Commodity” consists of crude palm oil (CPO), rubber or any other Shariah compliant commodity) at Bank’s Sale Price. ▪ Wakalah (Agency): Under this facility, the Bank will apply the dual-agency mechanism under the Wakalah concept. The Customer appoints the Bank as the Customer’s agent to purchase the Commodity from the Bank. The Customer also appoints the Bank to sell the Commodity to another Commodity Supplier on behalf of the Customer.

3. What do I get from this product?

Total Financing Amount	: RM 500,000.00
Ceiling Profit Rate	: 12% per annum (p.a.)
Bank's Sale Price	: RM 860,826.00
Effective Profit Rate	: BFR + 1% per annum (p.a.) = 7.81% p.a.
Tenure	: 10 years

Note:

- All calculations and information above are for the purpose of **ILLUSTRATION** only.
- The financing amount is equivalent to the Bank's Purchase Price.
- The Bank's Sale Price is calculated at Ceiling Profit Rate. The Ceiling Profit Rate (i.e. maximum capping rate) in determining the Bank's Sale Price is as stated above unless otherwise advised by the Bank.
- However, the monthly profit will be calculated based on the effective profit rate (BFR + xx%) ("Effective Profit Rate") on monthly rest basis which will not exceed the Ceiling Profit Rate.
- Base Financing Rate (BFR) is subject to change from time to time and our current BFR is 6.81% p.a.

4. What are my obligations?

As an example, based on Profit Rate at BFR + 1.00% p.a. (7.81%): -

- Your monthly installment is **RM 6,016.30**.
- Your payment amount at the end of 10 years is **RM 721,956.00**.

Important: Your monthly installment and total payment amount will vary if the BFR changes

Rate	Today Effective Profit Rate = 7.81% (BFR = 6.81% p.a.)	If BFR goes up 1% Effective Profit Rate = 8.81% (BFR = 7.81% p.a.)	If BFR goes up 2% Effective Profit Rate = 9.81% (BFR = 8.81% p.a.)
Monthly installment	RM 6,016.30	RM 6,282.49	RM 6,555.04
Total profit at the end of 10 years	RM 221,956.00	RM 253,898.80	RM 286,604.80
Total payment amount at the end of 10 years	RM 721,956.00	RM 753,898.80	RM 786,604.80

- All calculations and information above are for the purpose of **ILLUSTRATION** only.
- Profit is calculated on a monthly rest basis.
- Effective Profit Rate may vary from initial rate stated in the Bank's Letter of Offer due to increase in BFR (BFR will change accordingly as published by the Bank from time to time).
- Increase in BFR may result in a higher installment amount to be serviced. However, the monthly profit will not exceed the Ceiling Profit Rate. Rebate shall be provided to the customer if there is a difference between the Ceiling Profit Rate and the Effective Profit Rate as described in item 7 below.
- The Customer is to provide acknowledgement/confirmation of the deliverables on completed installation and commissioning of the Solar PV System prior to the final financing disbursement. This confirmation is to be supported by a final report or any similar documentary evidence from the Solar PV System vendor, certifying the satisfactory completion of installation and commissioning of the Solar PV System.
- The facility will be disbursed directly to the vendor or to the customer's account if the Customer has already made the payment for the Solar PV system.
- The facility will be disbursed directly to the vendor for AFFIN BizSolar-i based on Murabahah and Tawarruq. Alternatively, only for Tawarruq based AFFIN BizSolar-i, reimbursement will be made to the customer's account if the customer has already made the payment for the Solar PV System.
- For facility secured against property, the charge on the property is to be retained throughout the financing tenure to secure the existing financing.
- Kindly ensure there is sufficient month-end balance in the current account for the Facility payment. All the documents relating to account opening will be provided and signed by the Customer including but not limited to the Foreign Account Tax Compliance Act (FATCA) / Common Reporting Standard (CRS) declaration.

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

Type of Fee/Charge	Remarks
Stamp Duty	For stamp duty, it is as per Stamp Act 1949 (revised 1989) and will be borne by the Customer.
Legal Fee	Legal fee on solicitor in order for the completion of the Security Documentation prior to the release of the facility. Legal fee on solicitor will be borne by the Customer (if any).
Disbursement/Processing fee	No fee on Disbursement/ Processing.

Brokerage Fee (For SME)	<p>RM 5 per RM 1.0 million on pro-rated basis</p> <p><u>Example:</u> Financing amount of RM 100,000 with Ceiling Profit Rate at 12.00% per annum for tenure of 10 years.</p> <table border="1" data-bbox="523 331 1422 416"> <tr> <td>Formula for Brokerage Fee</td> <td> = RM 5 / RM 1 mil X Financing Amount = RM 5 / RM 1 mil X RM 100,000 = RM 0.50 </td> </tr> </table> <p><u>Note:</u> <i>The Brokerage Fee is subject to changes on the brokerage cost charged by the commodity platform provider from time to time.</i></p>	Formula for Brokerage Fee	= RM 5 / RM 1 mil X Financing Amount = RM 5 / RM 1 mil X RM 100,000 = RM 0.50
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SJPP Guarantee Fee (If any)	<p>Guarantee fee is charged by SJPP on a yearly basis and is to be borne by the Customer. The fee quantum will be subject to the terms and conditions imposed by SJPP.</p>		

Note: Please refer to Bank's Letter of Offer for any other fees chargeable.

6. What if I fail to fulfill my obligations?

- The customer shall pay the Bank late payment charges by way of *Ta'widh* (compensation) as follows:

Before maturity of the facility

A sum equivalent to one per centum (1%) per annum on overdue instalment(s) until date of full payment;

$$= \text{Overdue installment} \times 1\% \times \frac{\text{no. of days overdue}}{365}$$

Upon maturity of the facility

A sum equivalent to the prevailing daily overnight Islamic Interbank Money Market Rate (IIMM) on outstanding balance i.e. outstanding Selling Price/Rental less *ibra'* (if any);

$$= \text{Outstanding balance} \times \text{prevailing IIMM} \times \frac{\text{no. of days overdue}}{365}$$

- The Bank may set-off any credit balance in account maintained with the Bank against any outstanding balance in this facility account by providing seven (7) calendar days of prior notice to the customer.
- Legal action will be taken against the if the customer fails to respond to the reminder notices. The customer will have to bear all costs in relation to the same. The customer is responsible to settle any shortfall (if any) after legal action has been taken against the customer.
- Legal action taken against the customer may affect the customer's credit rating leading to credit being more difficult or expensive to the customer.
- Please refer to the other obligations as stated in the Bank's Letter of Offer.

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

The Bank does not impose a lock-in period for the facility and there is no fee imposed for early settlement before maturity. The Bank shall grant rebate (*ibra'*) which is equivalent to the deferred profit at the point of settlement.

ibra' (rebate) formula:

$$\text{ibra' (rebate) on early settlement} = \text{deferred profit-reasonable estimate cost incurred by the Bank.}$$

Note:

- Deferred Profit = Total Contracted Profit – Accrued Profit
- Total Contracted Profit = Bank's Sale Price – Bank's Purchase Price
- Accrued Profit is calculated on Effective Profit Rate of the outstanding principal being utilized.

8. Do I need any Takaful coverage?

- Yes. It is compulsory. The customer is required to obtain Takaful coverage.
- For Business Reducing Term Takaful (BRTT), the actual contribution cost is included in the financing package, subject to terms and conditions in the Letter of Offer. Notwithstanding this, the Bank may require any other Takaful coverage as stipulated in Bank's Letter of Offer.

Note:

The Bank may provide quotations to the customer for any compulsory Takaful offered by the Bank's own panel of Takaful provider. However, the Customer is free to use the service of other Takaful providers.

9. What are the major risks?

The payment of the Bank's Sale Price is by way of periodical installment, an increase in the Base Financing Rate (BFR) as in the case of floating rate will result in higher installment; but is capped at Ceiling Profit Rate of 12%. The Bank will notify the customer on changes of installment prior to the effective date.

10. Where can I get assistance and redress?

- If the customer has difficulties in making payments, the customer should contact the Bank's respective Relationship Manager at earliest possible to discuss the payment alternatives.
- If you wish to complain on the product or services provided by us, you may fill-in an "Online Feedback Form" which is available at Bank's website: AffinAlways.com that will be escalated to Customer Feedback & Resolution Management. You may also contact us at:
Customer Feedback & Resolution Management
Level 9, Menara Affin,
Lingkar TRX, Tun Razak Exchange,
55188 Kuala Lumpur.
Telephone : 03-8230 2222
E-mail : yourvoice@affingroup.com
Website : www.AffinAlways.com
www.affingroup.com
- Alternatively, the customer may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counselling, financial education and debt restructuring for both individuals and SMEs. The customer can contact AKPK at:
Agensi Kaunseling dan Pengurusan Kredit (AKPK)
Level 5 and 6,
Menara Aras Raya (Formerly known as Menara Bumiputra-Commerce),
Jalan Raja Laut,
50350 Kuala Lumpur.
Telephone : 03-2616 7766
Fax : 03-2616 7601
E-mail : enquiry@akpk.org.my
Operating Hours : 9:00 a.m. – 5:00 p.m. (Monday – Friday)
- The customer may re-address the issue with the Ombudsman for Financial Services (OFS) when steps taken by the Bank is still unsatisfactory. The customer may contact OFS at:
Ombudsman for Financial Services (OFS) (664393P)
(Formerly known as Financial Mediation Bureau)
Level 14, Main Block
Menara Takaful Malaysia
No. 4, Jalan Sultan Sulaiman
50000 Kuala Lumpur
Telephone : 603 – 2272 2811
Fax : 603 – 2272 1577
E-mail : enquiry@ofs.org.my
Website : www.ofs.org.my
- If the customer's query or complaint is not satisfactorily resolved by the Bank, the customer may contact Bank Negara Malaysia LINK at:
BNMLINK
Bank Negara Malaysia
P.O. Box 10922 (Peti Surat 10922)
50929 Kuala Lumpur
Telephone : 1-300-88-5465
Fax : 03-21741515
E-LINK : <https://bnmlink.bnm.gov.my/>

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

It is important that the customer informs the Bank (written notice to be sent to the account holding branch) of any changes in the customer's contact information to ensure that all correspondences reach the customer in a timely manner.

12. Where can I get further information?

Should the customer require additional information on the financing, please contact the Bank at the Bank's nearest branch to the customer or call the Bank's Contact Centre at 03-8230 2222 or visit the Bank's website at AffinAlways.com for further details.

13. Other facilities available.

- Ijarah Term Financing-i;
- Istisna' Term Financing-i;
- Musharakah Mutanaqisah Term Financing-i and
- Tawarruq Term Financing-i.

IMPORTANT NOTE:

**LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DO NOT KEEP UP
INSTALLMENT PAYMENTS ON YOUR FACILITY.**

The information provided in this disclosure sheet is valid as at **13 SEPTEMBER 2024**

I/We hereby acknowledge that the key terms of this product disclosure sheet, in particular, the terms affecting my/our obligations, have been adequately explained to me/us by the Bank's staff, representative or agent.

Signature : _____

Name : _____

NRIC Number : _____