

PRODUCT DISCLOSURE SHEET

(Read this Product Disclosure Sheet before you decide to take out the Share Margin Financing-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)



SHARE MARGIN FINANCING-i

Date: [To be filled]

1. What is this product about?

An Islamic share margin facility which enables Equity Investment Centre (EIC) clients* to finance their share trading activities in acceptable quoted Shariah-approved counters listed in Bursa Malaysia Berhad. The Bank will provide the financing facility based on the collateral you have pledged for this facility. Credit funds in margin account (for individual accounts) will earn profit rate of prevailing multi-tier Premier *Mudharabah* Account (PMA-i) rate.

*This financing is open to Malaysian, Singaporean and Bruneian.

2. What is the Shariah concept applicable?

The Shariah contract applied is Murabahah (cost plus sale) via Commodity Murabahah/Tawarruq arrangement. It is a method of sale with a mark-up price where Customer pays a price over an agreed period of time. The underlying asset for the sale transaction between the Customer and the Bank will be a specific tradable Shariah compliant commodity.

- In accordance to financing under the Commodity Murabahah, the Bank acquires a specific Shariah compliant commodity from a third party (Commodity Trader 1).
- The Bank then sells the said commodity to the Customer at the Bank's Sale Price which comprised of the Facility amount plus profit margin to be paid on deferred payment basis within the agreed tenure.
- The Customer then appoints the Bank as its agent to perform the commodity sale transaction to a third party for cash.
- The Bank, acting as agent to the Customer then sells the commodity to a third party (Commodity Trader 2) at a price equivalent to the Facility amount or limit.
- Proceeds of sale of the commodity will be remitted to the Customer through emplacement of the Facility limit into Customer's account for use.

3. What is Islamic Base Rate (IBR)?

Islamic Base Rate (IBR) is in accordance to the new Reference Rate Framework introduced by Bank Negara Malaysia and it replaces the Base Financing Rate (BFR) as the pricing for retail Islamic financing effective 2nd January 2015. Under this new framework, banks will use funding costs only as its benchmark to quote their base rate. Maybank Islamic's IBR is computed based on its average cost of funds. The IBR will not only be adjusted when there are changes in monetary policy e.g. Overnight Policy Rate (OPR) but also changes in the funding conditions e.g. movement in Kuala Lumpur Interbank Offered Rate (KLIBOR).

4. What do I get from this product?

Features	Description
Financing Limit	Minimum : RM50,000 Maximum : RM20 million (subject to approval)
Financing Tenure	Maximum of 5 years
Selling Price	Islamic Base Rate (IBR) + 7.65% per annum (p.a.) or 10% p.a., whichever is higher
Effective Profit Rate	IBR + 5.15% p.a. (up to RM500,000) IBR + 4.40% p.a. (above RM500,000)

Total Trading Limit (with the application of multiplier to collateral value):

Type of Collateral *	Margin Facility**	Trading Facility	Total Available
Approved Shariah Shares	1.5x	1.0x	2.5x
Conventional Fixed Deposit / General Investment Account	2.5x	1.0x	3.5x
Landed Property / Cash	1.5x	1.0x	2.5x

* Subject to Bank's capping and any other collateral / security acceptable from time to time

** Subject to the Bank's Terms and Conditions

5. What are my obligations?

You have to ensure that prompt payment is to be made every month.

Your monthly instalment is RM _____

Total payment amount at the end of ____ years is RM _____

Important: Changes in IBR may result in higher monthly instalment or lengthen the financing tenure however the total payment amount should not exceed the Selling Price Rate.

Rate	Today	If profit rate goes up 1%	If profit rate goes up 2%
*Monthly instalment (Average)	RM	RM	RM
*Total profit cost at the end of ____ years	RM	RM	RM
*Total payment amount at the end of ____ years	RM	RM	RM

Note: *The monthly instalment and total payment amount may vary accordingly with the changes in Islamic Base Rate (IBR). If the IBR changes, the Effective Profit Rate will change but not exceeding the Selling Price Rate.

*As approved by the Bank.

6. What are the charges do I have to pay?

Initial Deposit for Opening of Account	Nil
Trading Fee	As required by Bursa Malaysia for brokerage and related charges
Central Depository System (CDS) (Nominee) Fee	RM 10
Stamp Duty	As per the Stamp Duty Act 1949 (Revised 1989)
Share Withdrawal Fee	RM 20 per counter

Note:

- For Corporate Account, Legal Fees is to be paid directly to the Solicitor.
- All the above fees are subject to Goods and Services Tax ("GST") at the prevailing standard rate except for stamp duty.

7. What if I fail to fulfill my obligations?

The collateral should at all time be able to support the outstanding due under the facility. If the collateral value falls below the required Financing Margin Ratio (FMR), the Bank will force sell the outstanding and if required, the Bank can liquidate your collateral to improve on the margin collateral. The Bank has the right to set-off any credit balance in any of your account(s) maintained with us against any outstanding balance/ losses/ outstanding profit in this facility account.

Financing Margin Ratio (FMR)	Action
Up to 60%	Buy
> 60% - 72%	Buy under T+3
> 72% - 85%	Margin Call
≥ 85%	Force Selling

FMR is calculated based on ratio of total outstanding against total collateral value.

The Bank has the right to be compensated on late or default payment based on the following mechanism:

i. Overdue (Excess)

For failure to pay monies due (excess) from the date of the first drawdown of the facility until maturity date, a Late Payment Charge (LPC) sum equivalent to 1% per annum of the overdue monies or by any other method approved by Bank Negara Malaysia.

ii. Upon maturity

Prevailing daily overnight Islamic Interbank Money Market (IIMM) rate will be charged for failure to pay the total outstanding financing after maturity or upon judgment, whichever earlier.

However please note that, the amount of the compensation charged to the customer will not be further compounded to the outstanding financing amount.

- Legal action will be initiated if you fail to respond to the reminder notices.
- 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?

i. The Bank shall grant rebate (Ibra') to the Customer on, but not limited to, the following events:

- The Customer makes early settlement or early redemption, including those arising from prepayments;
- In the event the Effective Profit Rate is lower than the Ceiling Profit Rate / Selling Price Rate.
- In the event the actual disbursed amount is less than the Facility Amount.

ii. The rebates shall not be in cash rebates nevertheless the rebate can be in the form of a reduction in the profit element of the instalments of the Facility. The rebate shall only be deemed granted to customer upon receipt of the settlement/redemption sum as determined by the Bank.

Outstanding Bank's Sale Price	Less	Outstanding Facility Amount	Less	Other Amount Due to the Bank
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Note: For further illustration of rebate, please refer www.maybank2u.com.my / www.maybankislamic.com.my

9. Do I need a guarantor or collateral?

You may need to provide collateral such as:-

- i. Cash;
- ii. Landed property;
- iii. Approved Shariah Shares;
- iv. General Investment Account (GIA); or
- v. Conventional Fixed Deposits (Non-capitalisation of Interest).

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

It is important for you to inform the Bank of any changes in your contact details to ensure that all correspondences reach you in a timely manner. To update your correspondence details, please visit any Maybank or Maybank Islamic branches convenient to you.

11. Where can I get assistance and redress?

- If you need any information or assistance, please contact our Investment Share Executive / Manager at Maybank Equity Investment Centre:-

Please stamp here your name and EIC

- Alternatively, you 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 counseling and debt restructuring for individuals. You can contact AKPK at:

8th Floor, Maju Junction Mall
1001, Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : 1-800-22-2575
E-mail : enquiry@akpk.org.my

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

Maybank
Customer Feedback Management
28th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
Malaysia
Tel No : 03-20748075
Website : cfm@maybank.com.my

- If your 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 : bnmtelink@bnm.gov.my

12. Other personal financing packages available?

- Initial Public Offering (IPO) Pink Form / MITI / Employee' Share Option Scheme (ESOS) Financing-i

IMPORTANT NOTE: LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DO NOT KEEP UP WITH PAYMENTS OF YOUR MAYBANK ISLAMIC SHARE MARGIN FINANCING-i.

The information provided in this disclosure sheet is valid from March 2015.

