

PRODUCT DISCLOSURE SHEET

(Read this Product Disclosure Sheet before you decide to take out the Share Margin Financing-i (“Facility”). 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)

PRODUCT NAME:**SHARE MARGIN FINANCING-i (“Facility”)****DATE:**

[The date issued to customer to be filled in by Sales Personnel]

1. WHAT IS THIS PRODUCT ABOUT?

An Islamic share margin facility which enables Equity Investment Centre (EIC) customers* 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 indicative profit rate of Premier *Mudharabah* Account (PMA-i) rate.

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

2. WHAT IS THE SHARIAH CONTRACT APPLICABLE?

The Shariah Contract applied is Murabahah (cost plus profit) via Tawarruq arrangement. It is a method of sale of which its acquisition cost and its marked-up price are disclosed where customer pays the 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.

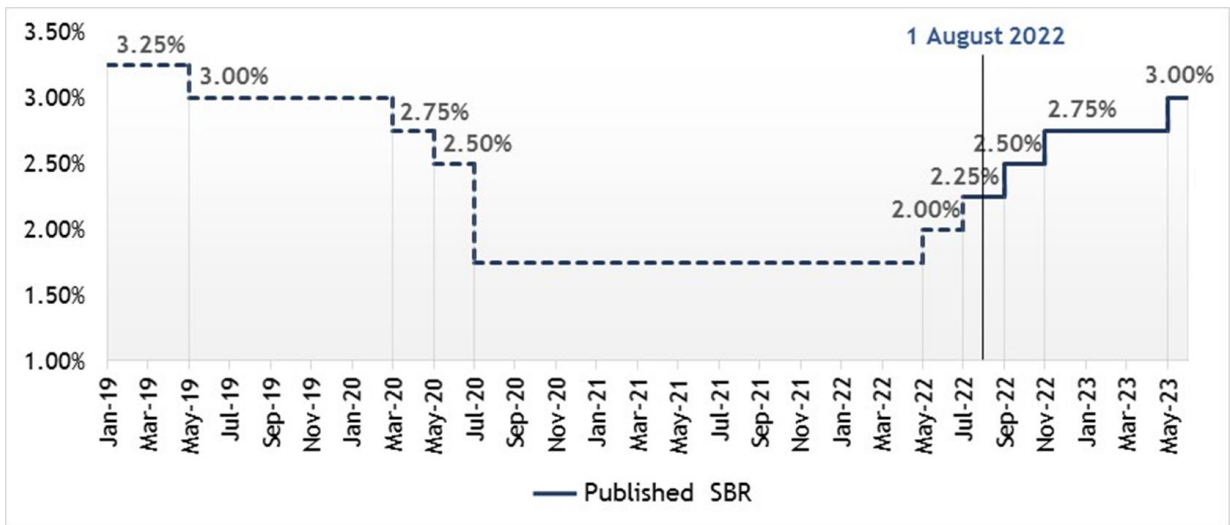
- a) In accordance to financing under the Community Murabahah, the Bank acquires/purchases a specific Shariah compliant commodity from a third party (Commodity Trader 1) upon request made by the Customer.
- b) The Bank then sells the said commodity to the Customer at the Bank’s Sale Price which comprised of the facility amount plus profit margin to be paid on deferred payment basis within the agreed tenure.
- c) The Customer then appoints the Bank as its agent to perform the commodity sale transaction to a third party for cash.
- d) The Bank, acting as an 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.
- e) Proceeds of sale of the commodity will be disbursed to the Customer, vendors or stakeholders subject to the term and conditions of the facility.

For Commodity Murabahah trading purposes, the Bank shall at all times be your non-exclusive Agent to undertake the required Commodity Murabahah transactions related to the facility.

3. WHAT IS STANDARDISED BASE RATE (SBR)?

The SBR is a common reference rate for all commercial banks with effect from 1st August 2022 in the pricing of new retail financing pegged to Islamic Base Rates, refinancing of existing retail financing, and the renewal of revolving retail financing from 1st August 2022. The SBR is pegged to the Overnight Policy Rate (OPR) (ie SBR = OPR) and all existing Base Financing Rate (BFR) and Islamic Base Rate (IBR) in turn are pegged to the SBR. In other words, SBR, IBR and BFR will be adjusted in tandem with the changes in the OPR as determined by the Monetary Policy Committee (MPC) of Bank Negara Malaysia.

4. HISTORICAL STANDARDISED BASE RATE (SBR) FOR THE PAST 3 YEARS



Note: The dotted line shows the historical series of the OPR, which is the benchmark rate of the SBR

5. WHAT DO I GET FROM THIS PRODUCT?

Features	Description						
Financing Limit	Minimum : RM50,000 Maximum : RM 30,000,000						
Financing Tenure	Maximum of 5 years						
Selling Price Rate/ Ceiling Profit Rate	<table border="1"> <thead> <tr> <th>Type of Client</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>Individual</td> <td>Standardised Base Rate (SBR) + 7.65% per annum (p.a.) or 10% p.a., whichever is higher <i>* Current Standardised Base Rate (SBR) is at 3.00% with effect from 8/05/2023</i></td> </tr> <tr> <td>Corporate</td> <td>Base Financing Rate (BFR) + 4% per annum (p.a.) or 10% p.a., whichever is higher <i>* Current Base Financing Rate (BFR) is at 6.65% with effect from 8/05/2023</i></td> </tr> </tbody> </table>	Type of Client	Rate	Individual	Standardised Base Rate (SBR) + 7.65% per annum (p.a.) or 10% p.a., whichever is higher <i>* Current Standardised Base Rate (SBR) is at 3.00% with effect from 8/05/2023</i>	Corporate	Base Financing Rate (BFR) + 4% per annum (p.a.) or 10% p.a., whichever is higher <i>* Current Base Financing Rate (BFR) is at 6.65% with effect from 8/05/2023</i>
	Type of Client	Rate					
Individual	Standardised Base Rate (SBR) + 7.65% per annum (p.a.) or 10% p.a., whichever is higher <i>* Current Standardised Base Rate (SBR) is at 3.00% with effect from 8/05/2023</i>						
Corporate	Base Financing Rate (BFR) + 4% per annum (p.a.) or 10% p.a., whichever is higher <i>* Current Base Financing Rate (BFR) is at 6.65% with effect from 8/05/2023</i>						
Effective Profit Rate	<table border="1"> <thead> <tr> <th>Type of Client</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>Individual</td> <td>SBR + 3.65%. Calculated daily on outstanding amount until settled.</td> </tr> <tr> <td>Corporate</td> <td>Rates range between *BFR +0% to BFR -2.0% p.a. Calculated daily on outstanding amount until settled.</td> </tr> </tbody> </table>	Type of Client	Rate	Individual	SBR + 3.65%. Calculated daily on outstanding amount until settled.	Corporate	Rates range between *BFR +0% to BFR -2.0% p.a. Calculated daily on outstanding amount until settled.
Type of Client	Rate						
Individual	SBR + 3.65%. Calculated daily on outstanding amount until settled.						
Corporate	Rates range between *BFR +0% to BFR -2.0% p.a. Calculated daily on outstanding amount until settled.						

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

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

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

** The collateral value shall be limited to the principal amount of the instrument.

*** Subject to the Bank's Terms and Conditions

6. WHAT OTHER CHARGES DO I HAVE TO PAY?

Initial Deposit for Opening of Account	Nil
Trading Fee	Individual : Waived Corporate : RM 15 per RM 1.0 million worth of commodities purchased *As required by Bursa Malaysia for brokerage and related charges
Excess in Cash Line-i	Excess occurs if the utilized amount exceeds the maximum allowed amount that you may utilize from your Cash Line-i facility (Drawing Limit) as permitted by the Bank from time to time. All excess amount must be paid within twenty-four (24) hours. In the event you fail to settle the excess amount within twenty four (24) hours, Late Payment Charges (LPC) shall be charged on the excess amount from the day your account being in excess.
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 any tax at the prevailing standard rate (if applicable)

7. WHAT IF I FAIL TO FULFILL MY OBLIGATIONS?

Financing Margin Ratio (FMR)

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+ 2
> 72% - 85%	Margin Call
≥ 85%	Force Selling

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

Default Rate

"In the event you default for three (3) consecutive months in any due payment or your account is in excess of the limit for three (3) months under the Facility, we

will be entitled to increase the profit margin Rate to Islamic Standardised Base Rate (SBR) + 6.15% p.a. (“the Default Rate”) to be charged on the amount outstanding, or such other profit rates as Bank Negara Malaysia may prescribe from time to time.

We will give you written notice of at least twenty one (21) calendar days prior to making any changes to the Default Rate or such other rates.

The Default Rate shall continue to apply unless you reduce your payment in arrears to less than three (3) months whereby the current effective profit rate will be reinstated.

Provided always that such increase shall not cause the total payment amount to exceed the Bank’s Sale Price”.

8. WHAT IF I FULLY SETTLE THE FINANCING BEFORE ITS MATURITY?

The Bank shall grant rebate (*Ibra'*) to you on, but not limited to, the following events:

- (a) You make early settlement or early redemption, including those arising from prepayments;
- (b) In the event of early commencement of monthly instalment prior to the expiry of grace profit period (for progressive disbursement);
- (c) In the event the Effective Profit Rate is lower than the Ceiling Profit Rate; and
- (d) In the event the actual disbursed amount is less than the Facility Amount.

For avoidance of doubt, it is hereby acknowledged and agreed that the rebates referred to herein shall not be construed in any manner whatsoever as cash rebate payable to you, but shall be reflected as a reduction in the profit element of the Bank’s Sale Price of the facility. The rebate shall only be deemed granted upon receipt of the settlement/redemption sum as determined by the Bank based on the following formula:

Outstanding Bank’s Sale Price	Less	Outstanding Facility Amount	Less	Other Amount due to the Bank
----------------------------------	------	--------------------------------	------	---------------------------------

You may refer to our website at www.maybank2u.com.my for a sample illustration on the application of *Ibra'* and settlement amount formula.

Go to [Home](#) > Announcements > Bank Negara Malaysia’s Guideline on *Ibra'* (Rebate) for Sale-Based Financing

9. WHAT ARE THE RISK INVOLVED?

As the profit rate of this product is pegged to the Standardised Base Rate (SBR), an increase in profit rate may result in higher monthly charges. We may remove a counter from our list of eligible investments. If this happens, it can result in a margin call. You should carefully consider your personal investment objectives, your financial situation, and your tolerance for risk before pursuing such an investment /trading strategy as there is potential loss on the capital and collateral pledged due to counter/market movements. The use of leverage can lead to losses as well as gain.

10. CAN I CLAIM THE MONETARY LOSS FROM THE COMPENSATION FUND OF THE RELEVANT STOCK EXCHANGE (“COMPENSATION FUND”)??

The compensation fund does not extend to investors who have suffered monetary loss as a result of a defalcation, or fraudulent misuse of moneys or other property, by a director, officer, employee or representative of a registered person. You may however lodge a complaint with Maybank Customer Feedback Management if you have suffered losses as a result of any act of our employees.

11. WHERE CAN I GET FURTHER INFORMATION ON SHARE TRADING PRODUCTS AND SERVICES?

Please contact our Equity Investment Centres (Respective EIC contact number) or call our Call Centre at 1300-88-6688 or visit our web site www.maybank2u.com.my for further details.

12. WHAT DO I NEED TO DO IF THERE ARE CHANGES TO MY CONTACT DETAILS?

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

13. 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:

Level 5 and 6
Menara Bumiputra Commerce
Jalan Raja Laut
50350 Kuala Lumpur
Tel: +603 2616 7766
Website: www.akpk.org.my

- If you wish to complain 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 : bnmtelelink@bnm.gov.my

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

The information provided in this disclosure sheet is valid from August 2023