

**PRODUCT DISCLOSURE SHEET**

Please read this Product Disclosure Sheet before you decide to take up the **Term Financing-i** before applying for this product. Do seek clarification from AEON Bank (M) Berhad ("**Bank**" or "**AEON Bank**") to fully understand this document.

**1. What is this product about?**

The Term Financing-i is a Shariah-compliant financing product extended to eligible companies, businesses and partnerships registered with Companies Commission of Malaysia (CCM) to bridge their medium-term to long-term financing needs based on the Shariah concepts of *Murabahah* via *Tawarruq* arrangement.

**2. What are the Shariah contracts applicable?**

The underlying Shariah principles governing this product are **Murabahah** (cost-plus-profit sale) and **Dual Wakalah** (agency), which are structured and executed via a **Tawarruq** arrangement. The mechanics of the arrangement are as follows:

Wakalah

**Appointment of Agent (Dual Wakalah):** The Customer enters into a Wakalah agreement, thereby appointing the Bank to act as an agent for two distinct purposes:

- (a) to purchase specified Shariah-compliant commodities from the Bank on the Customer's behalf; and
- (b) to subsequently sell the said commodities to a third party, also on the Customer's behalf.

Murabahah via Tawarruq Arrangement

- (a) **Commodity Purchase by the Bank:** The Bank shall first purchase specified Shariah-compliant commodities from an approved Commodity Trading Platform (CTP). The purchase price will be equivalent to the required financing amount.
- (b) **Commodity Sale to the Customer (Murabahah):** The Bank sells the said commodities to the Customer via Bank as purchasing agent, at a sale price comprising the cost price plus profit at an agreed profit margin. This sale is executed on a deferred payment basis, which establishes a debt obligation upon the Customer to pay the murabahah sale price to the Bank over the agreed tenure.
- (c) **Commodity Disposal for the Customer:** To provide the Customer with cash, the Bank, acting as the Customer's agent, shall subsequently sell the commodities to a third party on a spot basis. The cash proceeds from this sale will then be disbursed to the Customer's account.

All commodity trading is automated, uses Shariah-compliant assets on an approved CTP, and the Customer waives the right to physical delivery. The product features an *Ibra'* (rebate) for early settlement and may include a *Kafalah* (guarantee) contract if a guarantor is required.

**3. What do I get from this product?**Illustration for Term Financing-i

Approved Term Financing-i : RM100,000.00  
 Facility Period : 6 months  
 Contracted Profit Rate (CPR): 15% p.a.  
 Effective Profit Rate (EPR) (Base Financing Rate as published on AEON Bank's website + Spread)at Disbursement : 10.0% p.a. (equivalent to 0.833% per month)  
 Deferred Sale Price : RM 107,500.00

*Ibra'* (rebate) shall be granted on the difference between the amount of profit calculated based on the CPR and the amount of profit calculated based on the EPR.

**Customer Monthly Payment Computation (based on current EPR)****Formula:**

$$M = P \frac{r(1+r)^n}{(1+r)^n - 1}$$

- P (Facility Amount) = 100,000
- r (Effective Profit Rate) = 10% / 12 = 0.008333
- n (Months) = 6

**Calculation:**

$$M = 100,000 \frac{0.008333(1+0.008333)^6}{(1+0.008333)^6 - 1} = \text{RM } 17,156.14$$

Note: Monthly payments are based on the current EPR. If the EPR changes during the tenure, the instalment amount may be revised accordingly. Your total obligation will not exceed the amount calculated at the CPR.

	Outstanding Balance	Principal paid	Profit Paid	Total Payment
Month 1	100,000.00	16,306.82	849.32	17,156.14
Month 2	83,693.18	16,468.25	687.89	17,156.14
Month 3	67,224.93	16,585.19	570.95	17,156.14

Month 4	50,639.74	16,739.92	416.22	17,156.14
Month 5	33,899.82	16,868.22	287.92	17,156.14
Month 6	17,031.60	17,031.6	144.65	17,176.25
<b>TOTAL</b>		<b>RM100,0000</b>	<b>RM2,956.94</b>	<b>RM102,956.95</b>

**Note:**

- 1st payment is 1 month after disbursement under the equal monthly payments structure.
- Auto debit is on due date/maturity date. If auto debit from the Customer's Aeon Business Current Account-i fails, the Customer is to perform manual payment.
- Where the Term Financing-i is a facility with variable rate, In the case of a movement in BFR, your monthly payment obligation may fluctuate with a prior notice from the Bank. However, Your total obligations shall not exceed the CPR.

**4. What are my obligations?**

- To make payment of principal and profit timely before or on the due date regularly.
- To pay the entire outstanding sum of all the disbursement including principal, profit and any other monies committed to the Bank, upon the occurrence of an event of default which gives rise to early termination or cancellation or acceleration of the Term Financing-i by the Bank or upon maturity of the Term Financing-i.

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

- Stamp duty as per Stamp Act 1949 (Revised 1989) is payable upon execution of financing documents, unless otherwise exempted.
- In the event of a default in the monthly payment, late payment charges as described in item 6 below may be imposed.
- Legal fees (on a solicitor and client basis) and other expenses reasonably incurred by the Bank in the preservation and/or enforcement of its rights and entitlements under this financing facility for the recovery of monies due to the Bank and payable by you to the Bank under this financing facility.
- Commodity trading platform fee is incurred based on the amount disbursed by the Bank to the Customer.

Notwithstanding the above provisions, the fees and charges may be varied from time to time. Prior to the effective date of the new fees and charges, the Bank will provide customers with twenty-one (21) calendar days' written notice.

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

The Bank reserves the right to:

- Perform auto-debit on the remaining available balance in the Customer's AEON Bank Business Current Account-i until all the overdue and monthly instalments are fully paid.
- Impose Late Payment Charges ("LPC") as follows:
  - During the facility tenure:**
    - for default of any payments during the tenure of the facility, at the compensation sum equivalent to the actual cost subject to a maximum rate of one per centum (1%) per annum or such other rates as may be approved by Bank Negara Malaysia ("BNM") on the overdue scheduled payment, calculated from the date immediately following the date of such default until the date of receipt of outstanding payment in full.
    - After maturity of facility tenure,** for default of any payment exceeding the tenure of the facility, at an amount equivalent to the actual cost subject to such rate which shall not be more than the BNM's prevailing daily overnight Islamic Interbank Money Market ("IIMM") rate or such other rates as may be approved by BNM on the outstanding balance (comprising outstanding principal or Commodity Purchase Price and outstanding *Murabahah* Profit) of the facility subject to any rebate (Ibra') that may be applicable, calculated from the date immediately following the maturity of the tenure of the facility until the date of receipt of outstanding payment in full.
  - Set-off, combine, consolidate or merge all or any credit balance in your accounts maintained with us against any outstanding balance in the financing account by giving you twenty-one (21) calendar days prior notice.

Legal action will be initiated against you if you fail to respond to the reminder notices from us and this may affect your credit rating leading to credit being more difficult or expensive to you.

**7. Where can I get assistance or further information?**

If you:  
(a) have difficulties in making monthly payments, you should contact us earliest possible to discuss payment alternatives; or  
(b) wish to provide feedback on the product or services provided by the Bank

You may contact the Bank at:  
Tel : 03-4816 8888  
Email : [biz.support@aeonbank.com.my](mailto:biz.support@aeonbank.com.my)

Or if your query or complaint is not satisfactorily resolved by us, you may contact BNMLINK at:

4th Floor, Podium Bangunan AICB,  
No. 10, Jalan Dato' Onn,  
50480 Kuala Lumpur  
\*BNMLINK will receive visitors by appointment only.

**IMPORTANT NOTE:**

- YOU ARE REQUIRED TO READ AND UNDERSTAND ALL THE TERMS AND CONDITIONS OF AEON BANK TERM FINANCING-i BEFORE YOU ACCEPT THIS PRODUCT.**
- LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DO NOT FULFIL PAYMENTS ON YOUR AEON BANK TERM FINANCING-i.**

**Disclaimer:** This Product Disclosure Sheet is for information purposes only and does not constitute any advice on any matter discussed. The precise terms and conditions of this product are specified in the Bank's Letter of Offer (including the appendices/annexures) and the financing documentation of this product.