



بنك معاملات

Bank Muamalat

CREDIT CARD-i (TAWARRUQ)

Visa

Date: \_\_\_\_\_

[The date is to be filled in by Sales Personnel]

## PRODUCT DISCLOSURE SHEET (PDS)

Read this Product Disclosure Sheet before you decide to take the Credit Card-i (Tawarruq) product. Be sure to also read the terms & conditions of the product. Seek clarification from us if you do not understand any part of this document or the general terms.

1. What is this product about?

Credit Card-i ("the card"), is a Shariah compliant payment instrument which allows payment for goods and/or services purchased at the participating retail and service outlets via credit card which shall be deducted directly from your credit card's line of credit. The Credit Card also allows you to withdraw cash at both local and foreign ATM's up to the limit prescribed subject to terms by the Bank.

2. What is the Shariah contract applicable?

The card is issued to the cardholder under the Shariah concept of *Tawarruq* that consists of two sale and purchase contracts where the first involves the sale of an asset by a seller to a purchaser on a deferred basis. Subsequently, the purchaser of the first sale will sell the same asset to a third party on a cash basis.

The Customer applies for credit card from the Bank by entering into a binding promise (*Wa'd Mulzim*) for an asset requisition to purchase the Shariah compliant commodities ("Commodity") (such as crude palm oil ("CPO"), plastic resin-polyethylene ("PE"), RBD palm olein ("OLN") or any other commodities that are approved by Shariah Committee of the Bank) from the Bank at Selling Price. Effectively, the Bank will purchase the Commodity from a supplier at the Purchase Price ("Purchase Transaction"), and thereafter, sell the Commodity to Customer at the Selling Price ("Sale Transaction"). This purchase and sale of the Commodity is done on the basis of *Murabahah*. The Selling Price shall be paid by the Customer to the Bank on deferred basis. The Customer shall subsequently sell the Commodity via the Bank acting as his/her agent to a third party on cash basis. The cash shall be treated as provision of financing (the credit limit) to the Customer. The Tawarruq transactions shall be conducted prior to disbursement of financing amount to the Customer. However, Customer is entitled to take delivery of the purchased Commodity upon explicit request to the Bank prior selling it to the third party as specified in the Credit Card Application Form. The Customer must solely bear all costs and expenses incurred for the delivery and subsequent transfer of ownership of the Commodity. Consequently, the facility amount shall not be disbursed to the Customer.

Under this product, the Customer shall apply for a regular credit card facility under *Tawarruq* concept. The Bank provides services, benefits and privileges to the cardholders along with the approved card limit, which will be assigned to the cardholders under the *Tawarruq* concept.

The price must be determined and mutually agreed by the contracting parties at the time of entering into each of the respective sale and purchase contract. Where the sale and purchase contract in the *Tawarruq* is on a *Murabahah* basis, the requirements on price in the *Murabahah* sale shall be complied with, including disclosure on both cost and profit.

3. What do I get from this product?

- Purpose of the card:** Any consumption that does not contravene with Shariah principles.
- Financing Limit:** Up to four (4) times salary (subject to cardholder's eligibility and approval by the Bank at its discretion)
- Card Tenor:** Minimum two (2) years and maximum five (5) years (renewal)
- The following charges are imposed under the Shariah concept of *Tawarruq*.

## Actual Profit Charges

Transaction	Annual rate	Conditions
Retail Purchases	15%	Cardholders who promptly settle the minimum payment amount due for 12 consecutive months.
	17%	Cardholders who promptly settle the minimum payment amount due for 10 months or more in a 12-month cycle.
	18%	Cardholders who do not fall within the above categories.
Cash Withdrawals	18%	Up to 70% of the available limit. No grace period on cash withdrawals.

**Note:** Actual Profit Charges are incurred based on actual usage of the card. To enjoy a lower profit rate for retail purchases, you should make at least ten (10) prompt payments in the last twelve (12) months.

4. What are my obligations?

- Minimum monthly payment is **5%** of the statement balance plus any fixed instalment\* amount or RM50, whichever is higher.  
*\*Fixed instalments such as Balance Transfer Plan, Easy Payment Plan, Instalment Payment Plan, InstaCash Plans, or any other plans subject to availability.*
- Any overdue Minimum payments.
- Payments can be made via :
  - Online Instant Transfer; or
  - Cash Deposit Machine (CDM); or
- Grace Period: The Customer is granted a 20 + 4 day grace period on Retail Transactions only, provided that all outstanding balance as per the previous month statement is fully settled. The grace period commences from the point of statement issuance. Any amount settled within the grace period is subject to full rebate (*Ibra'*) by the Bank. No grace period is granted for Cash Withdrawals.
- The principal cardholder shall be ultimately liable for all transactions incurred by the supplementary cardholders, if any.

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

Fees & Charges	Amount
Annual Fee	<b>Visa Platinum:</b> Principal - <b>RM138</b> per card Supplementary - <b>RM68</b> per card [First (1 <sup>st</sup> ) year Annual Fee is WAIVED. For subsequent years, the annual fee waiver is subject to a minimum of 12 retail transactions per annum.]
	<b>Visa Infinite:</b> Lifetime waiver with no spending conditions
Cash Withdrawal Fee	Service Fee - <b>2.0%</b> on withdrawn amount OR <b>RM30</b> , whichever is higher Actual Profit Charge - Profit rate for cash withdrawal transactions shall be capped at a maximum of 1.5% per month, which is equivalent to 18% per annum.
Lost Card Replacement	<b>RM50</b> per card (for loss due to Customer negligence)



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Late Payment Compensation ( <i>Ta'widh</i> )	1% of the outstanding balance (comprising retail transactions and cash withdrawals only), capped at RM100. No compounding on <i>Ta'widh</i> .
Sales Draft Retrieval Request	RM15 per copy per transaction
Physical Statement Request	RM5 per monthly physical statement
Conversion for Overseas Transaction	Exchange rate will be based on the determination by Visa at the conversion time. The exchange rate may differ from the rate in the effect on the date of transaction due to market fluctuations. 1% service fee is charged on the converted amount.
Over Limit Charges	Not Applicable
Service Tax	RM25 for each Principal and Supplementary Card Service Tax will be charged on the Card activation date and every subsequent anniversary of the issuance date.

**Note:**

- We will communicate to you at least twenty one (21) calendar days prior to the effective date of implementation if there are any changes in terms and conditions or fees and charges that are applicable to this product.
- Kindly refer to our website at [www.muamalat.com.my](http://www.muamalat.com.my) for details of fees and charges.

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

- Ta'widh* (Compensation):** In the event that you do not meet the minimum monthly payment payable by the due date, you will be charged 1% of the outstanding balance (comprising retail transactions and cash withdrawals only), subject to a maximum of RM100. The *Ta'widh* charges shall neither be compounded nor added to the outstanding amount in arrears for the computation of profit charges.
- Illustration of *Ta'widh* on 1 month of arrears:**

Outstanding balance (retail transactions and cash withdrawals only)	:	RM 600
<i>Ta'widh</i> amount	=	600 x 1%
	=	RM 6.00

- Legal action will be taken against you if you fail to respond to the reminder notices on your payment arrears. Any security pledged to the Bank may be foreclosed or repossessed and you shall bear all costs incurred in the asset disposal. You shall also be liable to settle any shortfall that may incur after the sale of the asset.
- Legal action against you may affect your credit rating leading to credit being more difficult or expensive to you.
- Right to set-off:** The Bank is entitled to set-off any outstanding amount due in this financing account from any of your credit balances in your accounts maintained with the Bank, which we will notify you at least seven (7) calendar days in advance.
- Liability for Unauthorised Transactions:** The Cardholder will be liable for the following:
  - Unauthorised PIN-based transactions in the event that the Cardholder has: acted fraudulently; delayed notification to the BMMB as soon as

possible after discovering the credit card is lost or there has been unauthorised use; the Cardholder has voluntarily disclosed his/her PIN to another person; kept some form of record of the PIN on or near the proximity of the credit card.

- Unauthorised transactions requiring signature verification or with contactless credit card if the Cardholder has: acted fraudulently; delayed notification to the BMMB as soon as possible after discovering the credit card is lost or there has been unauthorised use; the Cardholder has voluntarily allowed another individual to use his/her card; left the credit card or the item containing it unattended where it is detectable by others.
- The cardholder is prohibited from using the Credit Card-i for any unlawful activities or any purposes that are contrary to Shariah. The Bank reserves the right to terminate the Credit Card-i facility if the cardholder (both Principal and Supplementary) is found to have used the Card for such activities, which the Bank will notify you in advance unless there is valid reason for immediate termination such as infringement on Anti Money Laundering & Counter Financing of Terrorism (AML/CFT) regulations.

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

*Ibra'* or Rebate on deferred profit shall be provided to the Customer subject to Shariah principle:

- The Bank shall grant *Ibra'* or Rebate in case of early settlement\* of the Facility to the Customer;
- The Bank shall grant *Ibra'* or Rebate on its charges/profit of the unutilised amount of the Facility
- The Bank shall grant rebate if there is any difference between the total Ceiling Profit Charges and the total monthly instalment / Actual Profit Charges payable at the end of financing tenor (as the case may be);
- Any *Ibra'* or Rebate granted by the Bank shall be deemed as final and conclusive and the Customer agrees as to the accuracy of the *Ibra'* or Rebate granted without any contestation or dispute; and

**Note:** Item (a), (b) & (d) are applicable for both fixed and floating Facility whilst item (c) is only applicable for floating Facility and subject that there is no event of default occurring and continuing.

(e) General *Ibra'* formula:

Outstanding Balance (Outstanding Selling/ Sales Price)	-	Outstanding Principal Amount	-	Amount Due to the Bank <sup>1</sup>	-	Reduction of <i>Ibra'</i> <sup>2</sup>
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**Whereby:**

<sup>1</sup> Amount due to the Bank refers to any profit amount due by the Customer upon early settlement\* such as current month profit and/or profit in arrears (if any).

<sup>2</sup> Reduction of *Ibra'* refers to the cost that Customer needs to bear due to early settlement\* prior maturity (if applicable).

**\*Note:** Settlement refers to the final and full payment of the facility due at maturity or upon cancellation prior to maturity.

Illustration of *Ibra'* granted at maturity of 5 years:

<i>Ibra'</i> Granted	=	19,000 - 10,000 - 3,750 - 0
	=	5,250

**There is no penalty imposed for early settlement** for any instalment plans offered (such as Balance Transfer Plan, Easy Payment Plan,



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Instalment Payment Plan, InstaCash Plans, or any other plans subject to availability) and no early settlement charges are applicable.

### 8. What are the major risks?

- If you make only minimum monthly payments, you will incur more profit charges and the time taken to settle your outstanding balance will increase.
- Utilizing your Credit Card-i to pay for other financing may increase your costs.
- If you have problems to fulfill your financing obligations, please contact us immediately for payment alternatives.
- You are responsible to notify the Bank immediately in event your card is lost, stolen, an unauthorised transaction has occurred, or the PIN is compromised by contacting 03-2600 5500.
- You are also responsible to immediately inform the Bank upon receipt of short message service (SMS) notification, if the transaction is invalid/unauthorised.
- To reduce the risk of unauthorised transactions, you are reminded to ensure the card and PIN security at all times by: not disclosing the card details or PIN to any other person; not recording the PIN on or in close proximity of the card; avoiding selecting a PIN from easily identifiable references such as your birthdate, identity card, passport, driving license, or contact number; not allowing any other person to use the card and PIN; and to check your statement and report any discrepancy to the Bank as soon as possible.

### 9. Do I need Takaful coverage?

Takaful is optional.

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

It is important that you inform us on any changes to your contact information to ensure that all correspondences reach you in a timely manner.

Tel : 03-26005500  
Website : [www.muamalat.com.my](http://www.muamalat.com.my)  
Branches : Any nearby BMMB branches

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

- If you have difficulties in making payments, you may contact us earliest possible to discuss other payment alternatives.
- If you wish to make a complaint on the product or services provided by us, you may contact us at:

Write in to : Bank Muamalat Malaysia Berhad  
Customer Service Department  
Level 19, Menara Bumiputra  
21 Jalan Melaka, 50100 Kuala Lumpur.  
Tel : 03-26005500  
E-mail : [feedback@muamalat.com.my](mailto:feedback@muamalat.com.my)  
Website : [www.muamalat.com.my](http://www.muamalat.com.my)

- 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:

Write in to : Agensi Kaunseling dan Pengurusan Kredit  
Level 5 & 6, Menara Bumiputra Commerce  
Jalan Raja Laut  
50350 Kuala Lumpur.  
Tel : 03-2616 7766  
E-mail : [enquiry@akpk.org.my](mailto:enquiry@akpk.org.my)

- You may register for the free BNM programme "Pengurusan Wang Ringgit Anda (POWER!)" which aims to educate you on essential financial knowledge as well as skills in money and personal debt management.
- If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK or TELELINK at:

Write in to : Bank Negara Malaysia  
P.O. Box 10922  
50929 Kuala Lumpur  
Tel : 1-300-88-5465 (1-300-88-LINK)  
Fax : 03-2174-1515  
eLINK : <https://telelink.bnm.gov.my/>

### 12. Where can I get further information?

Should you require additional information on this product, kindly refer to the product brochure that is available at all our branches and at our website at [www.muamalat.com.my](http://www.muamalat.com.my).

### 13. Other products available?

- Debit Card-i

## IMPORTANT NOTE:

LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DO NOT KEEP UP WITH PAYMENTS OF YOUR CREDIT CARD-i (TAWARRUQ) BALANCES.