

PRODUCT DISCLOSURE SHEET

Date:

Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information on your Muamalat Industrial Hire Purchase-i. Other customers have read this PDS and found it helpful, **you should read it too.**

1 WHAT IS MUAMALAT INDUSTRIAL HIRE PURCHASE-i (MIHP-i)

Muamalat Industrial Hire Purchase-i (MIHP-i) is a short to medium term financing facility offered to business entities [Corporate, Commercial and Small Medium Enterprise (SME) customers] for the purchase of vehicle/ machinery/equipment which are not listed in the First Schedule of the Hire Purchase Act 1967 (also known as Non-Act Goods). MIHP-i is calculated on a fixed rate basis and the vehicle/ machinery/equipment financed must be used for purposes permissible by Shariah and all applicable laws.

It is structured under the Islamic concept of "Al-Ijarah Thumma Al-Bai' (AITAB)", which means, hiring of an asset to purchase thereafter" where the arrangement involves Wa'd (binding promise). Al-Ijarah Thumma Al-Bai' (AITAB) refers to a leasing contract (Ijarah) followed by sale/purchase (Al Bai'). The customer agrees to lease the vehicle/ machinery/equipment from the Bank at an agreed rental price over a specific period and upon expiry of the period or upon early settlement, the customer enters into a sale contract to purchase the vehicle/ machinery/equipment from the Bank at an agreed price.

2 KNOW YOUR OBLIGATIONS

Financing Product Features

Financing Amount	:	<u>Minimum:</u>
		<ul style="list-style-type: none"> RM500,000 (for corporate/commercial) RM10,000 (for SME)
		<u>Maximum:</u>
		Depends on the credit line approved by the Bank.
Margin of Financing	:	Up to 90%
Financing Tenure	:	Up to 7 years
Profit Rate	:	___ % per annum (Fixed rate)

It is your responsibility to:



Read and understand the **key terms** in the **contract** before you sign it.



Contact us immediately if you are unable to pay the monthly instalment.

Illustration on the Financing

Financing Amount	:	RM500,000
Financing Tenure	:	Up to 5 years (60 months)
Profit Rate	:	3%
Total Amount Payable	:	Financing Amount + (Financing Amount x Profit Rate x Tenor (Number of Years))
	:	RM500,000 + (RM500,000 x 3% x 5 years)
	:	= RM575,000.00
Instalment (Monthly Rental)	:	Total Rental Amount / Tenure (Number of months)
	:	= RM575,000 / 60
	:	= RM9,583.33
Sale Price (amount paid during last month of financing tenure)	:	RM9,583.33

Fees & Charges

Fees & Charges		Amount
Stamp Duty As per the Stamp Act 1949 (Revised 1989).	Letter of Offer & Facility Agreement:	RM10
	Hire Purchase Agreement	Subject to Stamp Act 1949
	Power of Attorney	RM10.00
	Letter of Guarantee and Indemnity (If Any):	RM10.00
Renewal of road tax by BMMB	Service Charge	10.80* per renewal
Late Payment Charges	1% p.a. on the overdue instalments on default payment during financing tenor and before maturity; OR a sum equivalent to the BNM's Islamic Interbank Money Market (IIMM) Rate on the balance principal amount outstanding on default payment which exceeded the maturity date.	

• Kindly refer to our website at www.muamalat.com.my for details of fees and charges.

• *The fees and charges are subject to the service tax (8%) imposed under the Service Tax Act 2018 (as amended), where applicable.

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If you wish to settle your financing early you should know:

- The Hirer is entitled to a rebate for early settlement.
- The rebate is a partial refund of the term charges (profit) calculated according to a formula stipulated in the Hire Purchase Act 1967 (HP Act).
- For example, if the facility tenure is for 60 months and the Hirer wishes to full settle the financing after paying 48 monthly instalments, the Hirer will get a rebate on the term charges for the remaining 12 months (i.e. 60 - 48 months = 12 months).

3 KNOW YOUR RISKS

What are the major risks?

If you have problems to fulfill your financing obligations and continue to be in default, BMMB shall alert a customer of possible recovery actions such as legal and foreclosure proceedings and the related costs will be borne by the customer

What happens if you ignore your obligations?

- You pay more in total due to late payment charges (compensation charges/Ta'widh) which is 1% p.a. on the overdue instalments on default payment during financing tenor and before maturity; OR a sum equivalent to the BNM's Islamic Interbank Money Market (IIMM) Rate on the balance principal amount outstanding on default payment which exceeded the maturity date.
- We may deduct money from any account you have with us to set off your outstanding balance.
- We may take legal action against you.
- Your credit score may be affected leading to credit being more difficult or expensive to you.

4 OTHER KEY TERMS

- It is important that you inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner.
- As for Collateral, it will be subject to the customer's creditworthiness and the Bank's discretion. The financed vehicle will be pledged as collateral for the financing.
- It is optional to have a Takaful coverage on your financing. However, you are encouraged to obtain the Takaful plan to cover your financing from panel or non-panel Takaful provider. The Takaful protection plan is necessary to cover your outstanding financing during the period of financing and/or term of coverage in the event of any unfortunate circumstances.
- 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. The Bank will notify you at least seven (7) calendar days in prior.

If you have any questions or require assistance on your Muamalat Industrial Hire Purchase-i, you can:



Call us at:
03-26005500



Visit us at:
[Muamalat Industrial Hire Purchase-i](#)



Email us at:
feedback@muamalat.com.my

Customer's Acknowledgment

Ensure you are filling this section yourself and are aware of what you are placing your signature for.

- ☐ I acknowledge that Bank Muamalat has provided me with a copy of the PDS.
- ☐ I have read and understood the key information contained in this PDS.

**A customer's acknowledgement of this PDS shall not prejudice his/her rights to seek redress in the event of subsequent dispute over the product terms and conditions.*

Name: _____

Date: _____

The information provided in this product disclosure sheet is valid effective: **1st January 2026.**