

RETAIL HOME FINANCING
Product Disclosure Sheet – Istisna' Home Financing-i
Date:

Please read this Product Disclosure Sheet before you decide to accept the Istisna' Home Financing-i. Be sure to read the terms and conditions in the letter of offer and/or the financing agreement. Seek clarification from the Bank if you do not understand any part of this document or the general terms.

1. What is Istisna' Home Financing-i?

- A financing facility for retail customers who wish to purchase residential property which is to be constructed or still under construction.

2. Who can apply for Istisna' Home Financing-i?

- Individual (Residents or non-residents),

3. What is the Shariah concept and contract applicable?

- The Shariah concept used is Istisna' and Ijarah Mawsufah Fi Zimmah.
- Istisna' is a contract of sale of specified items to be constructed, with an obligation on the part of the contractor to deliver them to the customer upon completion.
- Ijarah Mawsufah Fi Zimmah literally means forward lease on the payment terms during the construction period.

4. How does this product operate?

- Customers enter into the first Istisna' agreement to appoint the Bank as contractor to construct a project.
- The Bank appoints the customer as its agent to find a contractor.
- The Bank enters into the second Istisna' agreement with the contractor via customer as an agent to construct the same project with the same detail and specifications.
- The Bank disburses the cost of construction to the contractor in the second Istisna' agreement.
- The Customer pays the cost of construction to the Bank on deferred payment basis.
- The project is delivered to Customer upon its completion and followed by full settlement of Istisna' price to the Bank.

5. What is Base Rate?

- Base Rate (BR) is the reference rate prescribed by the Bank from time to time for the pricing of floating rate financing facilities, and is computed in accordance with Bank Negara Malaysia requirements as may be imposed from time to time or any other authorities having jurisdiction over the bank in Malaysia.

6. What do I get from this product?

Financing Tenure	Upon completion, maximum financing period is 35 years (inclusive of construction period) or customer aged 65 years, whichever is lower	(____)
Margin of Financing	90% + 5% (MRTT Optional)	(____)
Payment Term	a) By equal monthly installment over the agreed financing period b) While the house is under construction, customer is required to pay the forward lease rental	(____)
Profit Rate/Pricing	a) Hybrid Fixed and Variable Rate (with a ceiling price) b) Fixed financing rate	(____)
BR	Determined by the Bank's cost of funds and the Statutory Reserve Requirement	(____)
Effective Profit Rate	Profit Rate + BR	(____)

7. What are my financial obligations?

- Monthly installment : _____
- Total payment amount at the end of tenure : _____

Rate	Current (BR = ____ %)	If BR goes up by 1%	If BR goes up 2%
Monthly installment			
Total profit charge at the end of tenure			
Total payment amount at the end of tenure			

Note: In the event of any variation to the financing tenure and/or profit rate due to changes in the BR, the Bank reserves the right to vary the payment amount accordingly.

8. What are the minimal documents required?

- Identity Card/Passport.
- Latest 3 months salary slips and Bank Statements.
- Latest employer confirmation letter/working permits.
- Form J/EA/EPF Statement.

9. Legal documentations

- Istisna' Purchase Agreement.
- Facility Agreement and Principal Agreement.
- Deed of Assignment & Purchase Agreement.
- Ijarah Mawsufah Fi Zimmah Contract (Forward Lease).

10. What if I fail to fulfill my obligations

- Late payment charges will be imposed on customer on the outstanding overdue installments amount.

$$CLPC = [AFR] \times [\text{Outstanding Installment Amount}] \times [\text{No of days}/365]$$

Note:

- Late payment charges shall not be compounded.
 - AFR refers to Average Financing Rate of the particular product at the point of default.
 - Total late payment charges shall not be more than the outstanding principal.
 - The late payment charges and the method of calculation thereof are subject to change as may be prescribed by Bank Negara Malaysia.
 - Outstanding installments are the overdue monthly profit/installments/sale price.
- Right to set off : The Bank has the right to set off any credit balance in your account maintained with us against any outstanding balance in the financing amount however, should be made known to customer.
 - The Bank reserves the right to cancel the facility if it is not utilised for the purpose(s) as approved by the Bank or if the facility is used for a purpose prohibited by Shariah.

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

Stamp Duty	As per Stamp Act 1949 (Revised 1989).
Disbursement Fee	Include fees for registration of charge and other related charges.
Legal Fee	Solicitors fee for preparation of financing agreement.
Valuation Fee	Valuation Fees for preparation of formal valuation report (applicable for completed properties only).
Processing Fee	RM 100 for sale price below RM 100k; RM 200 for sale price RM 100k and above.

12. What if I fully settle before its maturity?

- Lock-in Period (LIP): 5 years from the date of first disbursement.
- The Bank shall give rebate (Ibra') on the remaining Selling Price.

13. What is Government's Good & Service Tax (GST)?

- The Government's Goods & Services Tax (GST) is chargeable on all deemed Taxable Supply (if any) under the Goods & Services Tax (GST) 2014, pursuant to the delivery of the bank's Product & Services. The GST is exclusive of the value of the deemed Taxable Supply, chargeable at the prescribed note.

14. What do I need to do if there are changes to my contact detail?

- It is important that customer informs the Bank officially of any changes in customer's contact details to ensure that all correspondences reaches customer in a timely manner. Please contact us at 03-20791000 or visit us at any of our branches for further clarification.

15. Where can I get assistance and redress?

<p>If customer have difficulties in making payment or require additional information about the product, benefits and privileges please contact or email us as soon as possible at:</p>	<p>Contact/email us at :- Asian Finance Bank Berhad Level 2, Podium Block, Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur Tel : 03-20791000 Fax : 03-20791160 E-mail: feedback@asianfinancebank.com Website : www.asianfinancebank.com</p>	<p>Complaint can be sent to:- ecomplaint@asianfinancebank.com. Or BNM Link / TELELINK Block D, Bank Negara Malaysia Jalan Dato' Onn 50480 Kuala Lumpur Tel : 1-300-88-5465 Fax : 03-21741515 Email : bnmtelelink@bnm.gov.my</p>
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IMPORTANT NOTE: THE BANK HAS THE RIGHT TO TAKE NECESSARY LEGAL ACTIONS INCLUDING TO FORCLOSE OF THE PROPERTY SHOULD THE CUSTOMER FAILS TO MEET THE OBLIGATIONS

The information stated in the product disclosure sheet is valid as at March 2015