RHB ISLAMIC BANK BERHAD 200501003283 (680329-V) Incorporated in Malaysia

PRODUCT DISCLOSURE SHEET

(Please read and understand this Product Disclosure Sheet together with the terms and conditions in the Vehicle Financing-i (Variable Rate) Agreement before you decide to take up this product. Seek assistance from RHB Islamic Bank Berhad if you need further clarification on any part of this document or the term used).

VEHICLE FINANCING-i (VARIABLE RATE) FLEXI REDRAW

Date : _____ _____
[to be filled by Relationship Manager / Marketing Officer]

1. What is this product about?

Vehicle Financing-i (Variable Rate) Flexi Redraw ("the Facility") is a variable rate financing product that allows you to hire a vehicle ("the Vehicle") from the Bank and to purchase and take ownership of the Vehicle after settlement of the last rental payment, based on the Shariah concept of AL-IJARAH THUMMA AL-BAI' (AITAB) (hire followed by purchase). You will be able to enjoy discount on profit charges (also known as "rental charges") and the flexibility to redraw excess funds from your financing account with this Facility.

2. What is the Shariah concept applicable?

The Shariah concepts applicable to the Facility are:

i. **IJARAH**: Also known as leasing/hiring. You will hire the Vehicle from the Bank at an agreed monthly instalment over a specific period ("the Hire Term"). In the event that you make extra payment on top of the agreed monthly instalment, the excess amount will be treated as advance payment. Under Flexi Redraw structure, this advance payment will be parked under redraw bucket which will be made available for redraw and/or discount your profit charges as detailed out under section 5 Flexi Redraw Mechanism.

ii. **WAKALAH:** The Bank will appoint you as a Bank's agent for the purpose of maintenance of the Vehicle during the Hire Term.

iii. **BAI'**: Literally means sale, where on expiry of the Hire Term/ early settlement/ prepayment, you will enter into a contract to purchase the Vehicle from the Bank at an agreed price. In this regard, you are deemed to have an option of purchasing the Vehicle if you have paid a deposit to the Bank. During the Hire Term, the ownership of the Vehicle belongs to the Bank. On completion of the entire rental payment, a Sales Contract will be executed to transfer the ownership of the Vehicle from the Bank to you.

3. What do I get from this product?

Vehicle Financing Amount	: RM _____		
Rental Charges Amount	: RM _____		
Margin of financing	: _____	%	(up to 90% of Purchase Price)
HP Reducing Term Takaful (if applicable)	: RM _____		HPRTT
Total financing (including HPRTT)	: RM _____		Vehicle Financing & HPRTT
Current Standardised Base Rate Islamic (SBRI)	: _____	%	
Spread	: _____	%	
Effective Profit Rate	: _____	%	Current SBRI & Spread
Gross Effective yield / Annual Percentage Rate	: _____	%	
Tenure	: _____	years	(up to 9 years)

*Current Standardised Base Rate Islamic: may vary from time to time. Please refer to RHB Group website for the updated SBRI. The SBRI must be made known to you at the time of financing.

Ceiling Rate: 12% (in any case, if the Effective Profit Rate is more than 12%, you will only be charged at maximum profit rate of 12%).

4. What are my obligations?

Duration of monthly instalment	:	Months
Amount for first instalment	:	RM _____
Amount of each instalment	:	RM _____
One (1) final instalment	:	RM _____

Note: The Bank will inform you in writing, any changes in the Effective Profit Rate that is applicable to the Facility, at least seven (7) calendar days before the effective date of implementation of such change.

5. What is Flexi Redraw mechanism?

i. Features

You may enjoy:

a) Profit Charges Discount

Discount on profit charges when extra payments are made towards your financing account. The profit charges discount is capped at 50% of total original financing amount. No profit charges discount on the excess amount that exceeded the capping amount.

Note: Profit charges discount granted under Flexi Redraw structure is not equivalent to principal reduction feature (it is used for computation of daily profit rate purposes only without reducing the actual amount of outstanding principal).

b) Redraw Option

Redraw Source	: Excess amount in redraw bucket
Redraw Minimum Amount	: RM2,000 and in multiples of RM1,000
Redraw Destination	: The amount will be credited directly to your active RHB CASA/-i account; either single account (for individual) or same name account (for non-individual).
Redraw Fee	: RM18.50 per transaction

ii. Payment and Redraw Channels

Payment

a) RHB Branches nationwide (Over-the-counter for principal reduction purposes)
b) RHB Cash Deposit Machines
c) RHB Cheque Deposit Terminals
d) RHB Internet Banking
e) Interbank GIRO
f) Bank Standing Instruction

Redraw

a) RHB Branches nationwide (Over-the-counter transaction only)

iii. Illustration on Impact of Profit Charges Discount and Redraw Transaction on Your Financing

Financing Amount: RM100,000 |Financing Tenure: 9 Years | Variable Rate: 5.00% p.a.

A) Normal Payment Behaviour

You pay instalment as per the amount stated in the agreement:

	Month 1 - Month 23	Month 24 - Month 47	Month 48 - Month 108	Total	Savings
Total Principal Paid	17,720.61	20,380.49	61,898.90	100,000.00	No savings
Total Profit Paid	8,775.39	7,267.51	8,343.65	24,386.55	
Financing Fully Paid by:	Month 108				

B) Different Experience Under Same Advance Payment Amount with Redraw Option

B1) Without Redraw Transaction

You make Advance Payment of RM30,000 at Month 24:

	Month 1 - Month 23	Month 24 - Month 47	Month 48 - Month 108	Total	Savings
Total Principal Paid	17,720.61	23,528.74	58,750.65	100,000.00	9,821.44
Total Profit Paid	8,775.39	4,119.26	1,670.46	14,565.11	
Financing Fully Paid by:	Month 100, shortened by 8 months due to lower profit payment by RM9,821.44				

B2) With Redraw Transaction

You make Advance Payment of RM30,000 at Month 24 and perform Redraw of RM20,000 at Month 48:

	Month 1 - Month 23	Month 24 - Month 47	Month 48 - Month 108	Total	Savings
Total Principal Paid	17,720.61	23,528.74	58,750.65	100,000.00	6,500.38
Total Profit Paid	8,775.39	4,119.26	4,991.52	17,886.17	
Financing Fully Paid by:	Month 103, shortened by 5 months due to lower profit payment by RM6,500.38				

C) Impact with larger sum of Advance Payment

C1) Advance Payment equal to 50% of Original Financing Amount

You make Advance Payment of RM50,000 at Month 24:

	Month 1 - Month 23	Month 24 - Month 47	Month 48 - Month 108	Total	Savings
Total Principal Paid	17,720.61	25,627.58	56,651.81	100,000.00	13,495.37
Total Profit Paid	8,775.39	2,020.42	95.37	10,891.18	
Financing Fully Paid by:	Month 97, shortened by 11 months due to lower profit payment by RM13,495.37				

C2) Advance Payment beyond 50% of Original Financing Amount

You make Advance Payment of RM60,000* at Month 24:

	Month 1 - Month 23	Month 24 - Month 47	Month 48 - Month 108	Total	Savings
Total Principal Paid	17,720.61	25,627.58	56,651.81	100,000.00	13,495.37
Total Profit Paid	8,775.39	2,020.42	95.37	10,891.18	
Financing Fully Paid by:	Month 97, shortened by 11 months due to lower profit payment by RM13,495.37				

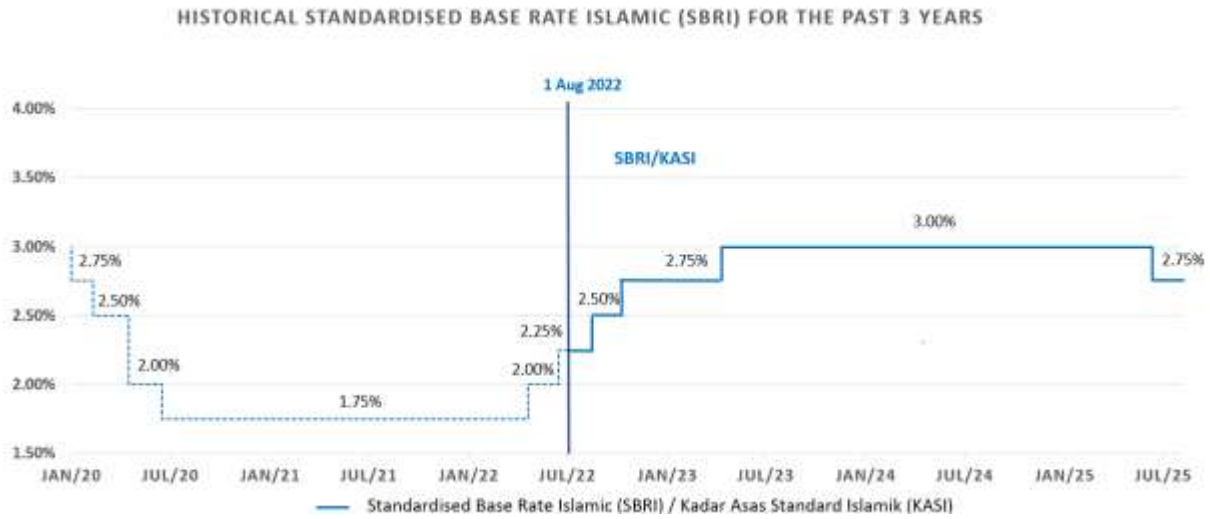
*The feature of discount on the profit charges is capped at 50% of total original financing amount

Note: In the event that you redeem your financing before maturity period, the depreciated value of the said vehicle could be lower than the actual outstanding. Please be advised that withdrawal of advance payment beyond the Market Value (MV) of the vehicle at the point of withdrawal is at your own discretion.

The withdrawal of excess amount would not impact your outstanding balance payment. However, please note that:

- Your profit charges discount entitlement is directly dependent on the total amount of your advance payment and subjected to 50% of your total original financing amount.
- You may opt to use the excess amount to settle early. Should you maintain zero balance of advance payment, you may settle early using other payment medium i.e. bank transfer/cheque/cash at over-the-counter request.

6. Historical SBRI for the past 3 year(s)



Note:

- *Standardised Base Rate Islamic (SBRI) was introduced on 01 August 2022. SBRI = Overnight Policy Rate (OPR); benchmark rate set by Bank Negara Malaysia.*
- *The dotted line shows the historical series of the OPR, which is the benchmark rate of the SBRI. SBRI can rise or fall due to changes in OPR.*
- *For further details of the historical series, please refer to our website.*

7. Illustration on Standardised Base Rate Islamic (SBRI) Changes

Total Financing of RM100,000.00
Current monthly instalment is RM1,140.00
Original tenure: 9 years

Important: Your monthly instalment and total payment amount will vary if the SBRI changes.

Year	1st Year (Start)	3rd Year	5th Year
No. of Instalment paid	**0 months**	**24 months**	**48 months**
No. of Remaining Instalment	**108 months**	**84 months**	**60 Months**
SBRI + Spread	**2.75% + 2.00% = 4.75%**	**If SBRI goes up 1%; 3.75% + 2.00%= 5.75%**	**If SBRI goes up 2%; 5.75% + 2.00%= 7.75%**
Principal Balance	RM100,000.00	RM81,299.92	RM61,293.40
Monthly Instalment	RM1,140.00	RM1,178.00	RM1,236.00
Final Instalment	RM1,108.16	RM1,174.19	RM1,205.32
Rental Charges Amount	RM23,088.16	RM17,648.27	RM12,835.92
Total Balance Payable	RM123,088.16	RM98,948.19	RM74,129.32

Note:
1. The Bank will inform you in writing, of any changes in the Effective Profit Rate that is applicable to the Facility, at least seven (7) calendar days before the effective date of implementation of such change.
2. Total Rental Charges Amount will change with each revision of SBRI. Excess amount will only be used for profit charges discount computation; refer section 5.i.a. Profit Charges Discount.

8. What other charges I have to pay?

No.	Types of fees/ charges	Fees and Charges Amount
I.	The Facility Agreement	RM 10.00 per agreement for stamp duty
II.	Variation on the Facility Agreement upon request	RM 10.00 per agreement for stamp duty
III.	Postal	• RM 3.50 for account without guarantor • RM 7.00 for account with 1 guarantor • RM 10.50 for account with 2 guarantors
IV.	Request for retrieval and copy of documents • Additional statement of the Facility	RM 13.00 per request
	• Request for copy of the Facility documents	RM 14.00 per request
V.	Photocopy of the Facility Agreement	RM 25.00 per request
VI.	Redraw Fee	RM 18.50 per transaction

Note 1: The Bank will inform you in writing, of any changes in fees and charges that are applicable to your financing facility, at least twenty-one (21) calendar days before the effective date of implementation of such change.
Note 2: You are also responsible to pay all professional fees, taxes (including Service Tax (ST))/or any applicable taxes imposed from time to time), out-of-pocket expenses incurred and any other fees, expenses or recourse in respect of the Facility.
Note 3: If you wish to get the Facility account statement, please email to custserv.autofinop@rhbgroup.com or register with RHB Online Banking for e-statement and online payment. The first request is free of charge but any further requests will be charged according to item IV above.

9. What if I fail to fulfil my obligations?

(a) You are liable to pay the Bank compensation **(*Ta'widh*)** as follows:
   i. If you fail to pay the payment due under the Facility from the date of first disbursement by the Bank until the date of maturity of the Facility, the applicable compensation **(*Ta'widh*)** rate is not more than one percent (1%) per annum.
      a. on the overdue amount in case of default of scheduled payments; or
      b. on the outstanding balance of the Facility in case of default causing the Facility to be terminated or brought to court for judgement before the expiry of the Facility.
   ii. if you fail to pay any amount overdue and such failure continues beyond the Facility tenure or after judgement is obtained (whichever is earlier), at such rate per annum as determined by the Bank from time to time (before as well as after judgement), and the applicable compensation rate will not at any time exceed the prevailing Bank Negara Malaysia's (BNM) Islamic Interbank Money Market (IIMM) Rate on the total outstanding balance of the Facility calculated on daily rest basis; or
   iii. by any other method approved by the Shariah Advisory Council of BNM; and
   iv. the amount of such compensation **(*Ta'widh*)** will not be compounded.

(b) Legal action will be taken if you fail to respond to reminder notices. Your vehicle may be repossessed and you will have to pay the applicable costs. You are also responsible to settle any shortfall after your vehicle is auctioned off. Legal action against you may affect your credit rating causing credit to be more difficult or expensive to you.

(c) If you fail to perform your obligation to pay the rental payment or violate other terms and conditions stated in the Facility Agreement, the Bank has the right to exercise reasonable actions to mitigate losses.

(d) Right to set-off: The Bank may set-off any outstanding amount due in this Facility account from any of your deposit accounts maintained with the Bank, which the Bank will notify you at least seven (7) calendar days in advance.

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

The Bank will grant rebate (*Ibra'*) on any amount payable by you for any payment due under the Facility in any of the following situations:
(i) any early settlement or early redemption by you including prepayment;
(ii) any early settlement of the Facility due to any restructuring exercise of the Facility by you.
(iii) any early settlement by you upon occurrence of an Event of Default; and
(iv) any early settlement by you if the Facility is terminated or cancelled before the Facility tenure expires.

The calculation of rebate (*Ibra'*) for any early settlement by you is as follows:
Rebate (*Ibra'*) = *Remaining Unearned Rental Charges - early settlement charges as may be determined by the Bank (if any).
*Remaining Unearned Rental Charges is equal to unrealized rental charges at the time of full settlement.
The calculation of rebate (*Ibra'*) will be made in accordance with any rules, regulations and/ or directives of BNM or any other authorities having jurisdiction over the Bank.
Note: Other costs / expenses may include postage charges, repossession charges, storage, legal fees etc. (where applicable).

11. Do I need any TAKAFUL protection?

MOTOR TAKAFUL: Motor Takaful is required. The vehicle must be adequately covered under comprehensive protection against fire, accident, theft, force majeure events such as natural disaster (flood, typhoon, hurricane, storm, volcanic eruption, earthquake, landslide, etc.) and such other risk as the Bank may require from time to time during the Hire Term. Failure to obtain adequate protection will make you liable and the Bank may claim the outstanding financing from you.

HIRE PURCHASE REDUCING TERM TAKAFUL (HPRTT): HPRTT is optional/not required. If you pass away or suffer total permanent disability, the HPRTT will pay off the amount in accordance with the Schedule of Sum Covered as stated in the policy. This will relieve the burden of monthly instalment on your survivors or next of kin.

You may choose to include HPRTT contribution into the total Facility with RHB Islamic Bank and enjoy the protection throughout the Facility tenure.

GUARANTEED ASSET PROTECTION (GAP): GAP is optional/not required, and you may get the GAP from various Takaful services providers. If there is total loss or theft of the Vehicle, the GAP will cover the difference between the Motor Takaful claim pay out and the outstanding financing. This will relieve the burden of monthly instalment on your survivors or next of kin.

You may choose to purchase GAP contribution separately in order to enjoy the protection throughout the Facility tenure.

Note:

- The agent will provide quotations for Motor Takaful/HPRTT/GAP offered by the Bank's panel of Takaful providers or any other legitimate Takaful operators of your choice and acceptable to the Bank. However, to avoid any delay, the appointment of the Bank's panel of Takaful providers is highly encouraged.
- In taking the above Takaful protection, the Bank hereby advise you the following:
  - a) You are advised to get the Motor Takaful, HPRTT and GAP.
  - b) You may get conventional insurance to protect the Vehicle if:
    - i. Your application for Takaful protection is rejected by all Takaful operators; or
    - ii. The cost of insurance protection is much more competitive compared to the cost of Takaful protection.
- The Takaful protection is important to ensure end-to-end Shariah compliant offering of this product. However, the Bank has the right to claim any amount due even if you choose the conventional insurance.
- In the event where you opt for conventional Motor Insurance, a portion of deposit paid by you is deemed to be used as payment for the insurance premium.

12. Do I need a guarantor?

Whether a guarantor is required depends on the merits of each application. If a guarantor is required, such guarantor will be duly informed of its rights and obligations.

13. What are the documents that I have to submit?

Salaried Applicant	Self-Employed Applicant
➢ MyKad / NRIC photocopy ➢ Driver's license ➢ Latest 3-months' salary slip ➢ Latest EPF statement ➢ Latest income tax return form ***NOTE:** The Bank may require up to six (6) months of income statement if the income comprises variable components.	➢ MyKad / NRIC photocopy ➢ Business registration photocopy ➢ Latest six (6) months bank account statement ➢ Financial statement

14. What are the major risks?

If you fail to pay the monthly instalment consistently throughout the Hire Term, the Bank has the right to take possession and auction off the Vehicle. If you have problems in meeting your financial obligation under the Facility, kindly contact the Bank immediately to discuss the payment alternatives.

15. 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 to your contact details to ensure that all correspondences reach you in a timely manner.
You may inform the Bank of such changes through various channels of communication such as the Bank's website, branches or RHB Customer Contact Centre at 03-9206 8118.

16. Where can I get assistance and redress?

a) If you have difficulties in making payments, you should contact the Bank immediately to discuss payment alternatives.

b) Alternatively, you may also seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia (BNM) to provide free services on money management, credit counselling, financial education and debt restructuring for individuals. You can contact AKPK at:

Level 5 & 6, Menara Aras Raya
(formerly known as, Menara Bumiputra Commerce)
Jalan Raja Laut,
50350 Kuala Lumpur.
Tel: 03-2616 7766
Email: enquiry@akpk.org.my

c) If you wish to complaint about the products or services provided by the Bank, you may contact us at:

Customer Advocacy, Group Customer Experience and Channel Management,
RHB Islamic Bank Berhad,
Level 2, Tower 2,
Jalan Tun Razak, 50400 Kuala Lumpur
Email: customer.advocacy@rhbgroup.com
Web: http://www.rhbgroup.com

d) If your query or complaint is not satisfactorily solved by the Bank, you may contact Bank Negara Malaysia LINK or BNMLINK at:

4th Floor, Podium Bangunan AICB,
No. 10, Jalan Dato' Onn,
50480 Kuala Lumpur.
Tel: 1-300-88-5465 or +603 2174 1717 (for overseas calls)
Fax: 03-2174 1515
Web form: bnmlink.bnm.gov.my

e) Alternatively, you may also seek the services of Financial Markets Ombudsman Service (FMOS) (Formerly known as Ombudsman for Financial Services), a non-profit organization which functions as an alternative dispute resolution channel to settle disputes between FMOS members (i.e. the financial service providers, licensed or approved by BNM) and financial consumers. You may contact FMOS at:

Level 14, Main Block,
Menara Takaful Malaysia,
No 4, Jalan Sultan Sulaiman,
50000 Kuala Lumpur
Tel: 03-2272 2811
Web form: https://www.fmos.org.my/en/feedback.html
Website: https://www.fmos.org.my/en/

17. Where can I get further information?

If you have any questions, please contact us at:

RHB Islamic Bank Berhad
Level 2, Tower 3, RHB Centre,
Jalan Tun Razak,
50400 Kuala Lumpur.

Tel: 03-9206 8118
Email: customer.service@rhbgroup.com
Web: www.rhbgroup.com

18. Other AL- IJARAH THUMMA AL-BAI' packages?

Vehicle Financing-i (Variable Rate)

19. The Illustration on the issuance of reminders and notices

IMPORTANCE NOTICE:

REPOSSESSION OF MOTOR VEHICLE AND LEGAL ACTION MAY BE TAKEN AGAINST YOU & YOUR GUARANTOR (IF ANY) IF YOUR HIRE PURCHASE PAYMENTS ARE NOT KEPT UP TO DATE.

Illustration on the issuance of reminders and notices

All reminders and notices will be issued based on the illustration below:
Instalment Due Date: Every 5th of the month
1st instalment overdue: March 5th, 2020.

Reminder/ Notice	Days/Months (after Instalment Due Date)	Issuance date of Reminder/ Notice	Expiry date of Reminder/ Notice
First (1st) Reminder	10 days after due date	15/03/2020	
Fourth (4th) Schedule	After 2 successive default of payments	06/03/2020	27/03/2020
7-Days' Notice	7 days before the expiry of Fourth (4th) Schedule	21/03/2020	28/03/2020
Repossession Order	On expiry of 7-Days' Notice	29/03/2020	

20. The Code of Ethics on Repossession for Repossession of Motor Vehicle.

a) Authorised repossessors must have a valid permit card as "Ejen Pemilikan Semula" (EPS) and ensure validity period is relevant during the repossession activity.
b) EPS permit holder should only enter the premises with the knowledge and consent of the occupant.
c) EPS permit holder should be well mannered and dress decently. They must practice professionalism and dignity in carrying out their work.
d) The use of "strong arm tactics" of any kind is strictly prohibited in the performance of their work.
e) At the time of repossession, the EPS permit holder must:
   i. show to you the EPS permit, NRIC and repossession order issued by the Bank;
   ii. give reasonable time for you to inspect the Vehicle and remove your personal items and belongings;
   iii. take photos of the Vehicle's interior, external condition and your personal belongings; and
   iv. issue inventory list for the Vehicle's condition during the repossession activity.
f) EPS permit holder is not allowed to enter any personal premise without Court's Order.
g) EPS permit holder must lodge a police report within 24 hours after such repossession activity is completed. Extension is given in certain situation but such extension will not exceed 48 hours.
h) EPS permit holder must act in accordance with the laws and regulations and any other Code of Ethics (as introduced by the Association of Hire Purchase Companies Malaysia of Finance Companies of Malaysia and the Ministry and Ministry of Domestic Trade and Consumer Affairs from time to time) at all times in carrying out their work.

The information provided in this Product Disclosure Sheet is valid as at 11 July 2025.