PRODUCT DISCLOSURE SHEET

Dear Customer,
This Product Disclosure Sheet (PDS) provides you with key information on Hire Purchase-i (Fixed Rate) Reducing Balance.
Other customers have read this PDS and found it helpful; **you should read it too.**

Date : [AppLetterGenDate]

1 What is Hire Purchase-i (Fixed Rate) Reducing Balance?

Hire Purchase-i (Fixed Rate) Reducing Balance ("the Facility") is a 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).

Shariah Concept applicable:

- **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").
- **WAKALAH**: The Bank will appoint you as a Bank's agent for the purpose of maintenance of the Vehicle during the Hire Term.
- **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 final instalment, a Sales Contract will be executed to transfer the ownership of the Vehicle from the Bank to you.

2 Know Your Obligations

Vehicle Financing Amount	: **RM** _____	
Rental Charges Amount	: **RM** _____	
Margin of Financing	: _____ **%**	(up to 90% of Purchase Price)
HP Reducing Term Takaful (HPRTT)	: **RM** _____	HPRTT
Total (Vehicle Financing & HPRTT)	: **RM** _____	Vehicle Financing & HPRTT
Effective Profit Rate (EPR)	: _____ **%**	(up to 17% p.a. for financing tenure up to 5 years and 16%p.a. for financing tenure more than 5 years)
Tenure	: _____ **years**	(up to 9 years)
Duration of monthly instalment	: _____ **Months**	
Amount for first instalment	: **RM** _____	
Amount of each instalment	: **RM** _____	
One (1) final instalment	: **RM** _____	

You also have to pay the following fees and charges:

The Facility Agreement	: RM 10.00 per agreement for stamp duty
Variation on the Facility Agreement upon request	: RM 10.00 per agreement for stamp duty
Postal	: • RM 3.50 for account without guarantor • RM 7.00 for account with 1 guarantor • RM 10.50 for account with 2 guarantors
Request for retrieval and copy of documents:	
• Additional statement of the Facility	: • RM 10.00 per request received over-the-counter • RM 3.00 per request received via e-mail
• Request for copy of Facility documents	: • RM 10.00 per request received over-the-counter • RM 5.00 per request received via e-mail
Copy of Facility Agreement	: RM 25.00 per request

For the avoidance of doubt, you will bear all professional fees, taxes (including service tax and/or any applicable taxes imposed from time to time), and out-of-pocket expenses incurred and any other fees, expenses or recourse in respect of the Facility.

It is your responsibility to:



Read and understand the **key terms** in the contracts before your sign it.



Pay your monthly instalment timely and in full for **[TenureInYears]** years**.** Speak to us if you wish to settle your financing earlier.



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

3 Know Your Risks

A. What if you fail to fulfil your obligations?

(a) You are liable to pay the Bank compensation (Ta'widh) as follows:

1) Before the maturity of the Facility, up to 1% per annum:
   i. on the overdue amount in case of default of scheduled payments; or
   ii. 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.
2) After the Facility tenure or after judgement is obtained (whichever is earlier), at such rate per annum not exceeding the prevailing Bank Negara Malaysia's (BNM) Islamic Interbank Money Market (IIMM) Rate:
   i. on the total outstanding balance of the Facility calculated on daily rest basis; or
3) by any other method approved by the Shariah Advisory Council of BNM; and
4) 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 monthly instalment 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.

4 Other Key Terms

- Visit RHB Online Banking to get your Facility e-statement and make online payment.
- Proceed to any RHB Branches nationwide for principal reduction service (over-the-counter/OTC only)
- Motor Takaful is **compulsory -** comprehensive protection coverage against fire, accident, theft, force majeure events such as natural disaster (flood, typhoon, hurricane, storm, volcanic eruption, earthquake, landslide, etc.) and such other risk required by the Bank.
- Hire Purchase Reducing Term Takaful (HPRTT) is optional - death & total permanent disability coverage.
- Guaranteed Asset Protection (GAP) is optional - total loss or theft of the Vehicle coverage.
- 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.

If you have any questions or require assistance on your financing, you can:

Call us at:
03-9206 8118

Visit us at:
https://www.rhbgroup.com/others/contact-us/index.html

Email us at:
custserv.autofinop@rhbgroup.com

Scan the QR code

The information provided in this disclosure sheet is valid from 27-11-2026