

# PRODUCT DISCLOSURE SHEET

## Dear Customer,

This Product Disclosure Sheet (PDS) provides you key information on your financing.

Other customers have read this PDS and found it helpful; **you should read it too.**



**BANK SIMPANAN NASIONAL**

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

## 1 What is BSN Education-i Financing?

**BSN Education-i** is an unsecured term financing facility that provides financial assistance to eligible students pursuing Degree, Masters and Doctorate programs at universities or colleges in Malaysia recognized by the Ministry of Higher Education. The purpose of this financing is solely to finance the education fees. It is offered on a variable rate basis, where the profit is calculated using the monthly rest method, based on the outstanding principal balance at the end of each month. Monthly instalments will vary if the Standard Base Rate (SBR) changes.

The applicable Shariah concept is Tawarruq (Commodity Murabahah) which consists of two sale and purchase contracts. First, the customer will purchase a commodity from BSN at a price that includes the financing amount plus profit (Murabahah), with payment made in instalments. Subsequently, the customer will sell the same commodity to a third party on a cash and spot basis to obtain the required financing amount. Both the buying and selling transactions are delegated to BSN, which will act as the customer's agent for these transactions.

## 2 Know Your Obligations

For this term financing, **as an illustration:**

- Your financing amount = **RM150,000**
- Your monthly instalment = **RM1,127**
- Your financing tenure = **20 years**
- Standard Base Rate (SBR)\* = **2.75%**
- Ceiling Profit Rate (CPR) = **15% per annum (p.a.)**
- Effective Profit Rate (EPR) = **SBR + 3.50% = 6.25% p.a.**

**In total you will pay RM256,606.79** at the end of 20 years

**You have to pay the following fees and charges:**

- Stamp duty: **RM5** - Letter of Offer (for every RM1,000 of financing amount)
- Wakalah fee: **RM30**
- Will / Wasiat fee (if any): **RM500**
- Ikhlas Group Personal Accident Takaful (optional): **RM540**
- Late Payment Charge:
  - Before Maturity: Not exceeding **1% p.a.** on the overdue instalment amount.
  - After Maturity: At the **IIMM rate** on the outstanding balance amount.

**It is your responsibility to:**



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



Pay your monthly instalment timely and in full **throughout the financing tenure**. Speak to us if you wish to settle your financing earlier.



Ensure you can afford to pay a higher instalment if the Overnight Policy Rate (OPR) rises.



**Contact BSN immediately** if you are unable to pay your monthly instalment.

\* The SBR can rise or fall due to changes in the Overnight Policy Rate (OPR) decided by Bank Negara Malaysia. Visit our website <https://www.bsn.com.my/page/profit-rates> for details of the SBR historical series.

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

- Early settlement is permitted at any time after full disbursement has been made to the University / College, subject to written notice to the Bank.
- There is no 'lock in period' for this facility. BSN will grant Ibra' (rebate) on the deferred profit if you settle your financing early. Ibra' (rebate) will also be granted when the profit amount calculated based on the EPR falls is lower than the profit amount based on the CPR.
- The Bank reserves the rights to impose any actual cost incurred as a result of the early settlement.

### 3 Know Your Risks

#### What happens if you ignore your obligations?

- You **will pay more in total** due to late payment charges (Ta`widh).
- BSN may **defer the disbursement of financing for the next semester** if your account is in default.
- BSN may **set off** your outstanding financing balance against any monies in your BSN savings account.
- BSN may **withdraw the financing** if the student change programs or universities, defers studies, or is classified as academically failing or receive a scholarship from another organization/institution
- BSN reserves the right to **initiate legal action** against you in case of default of the financing terms on your part.
- Your **credit standing** may be adversely affected making future financing more difficult or costly.

#### Your monthly instalment may increase during the tenure of your financing.

The SBR may increase due to a rise in the OPR set by Bank Negara Malaysia. An increase in SBR means that you have to pay higher monthly instalment.

	Current Rate 6.25% p.a.	Rate Increase by 1%	Rate Increase by 2%
Monthly Instalment	RM1,127	RM1,215.00	RM1,306.00
Total profit cost at the end of 20 years	RM106,606.79	RM126,655.53	RM147,524.45
Total payment amount at the end of 20 years	RM256,606.79	RM276,655.53	RM297,524.45

Note: The above example is only for illustration.

### 4 Other Key Terms

- It is important that you update BSN of any changes to in your contact details to ensure that all correspondence reaches you promptly.
- Subscription to Ikhlas Group Personal Accident Takaful is optional.
- Takaful coverage (Optional) may vary based on age / tenure / financing amount.
- No guarantor is needed for this product.

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



Call us at:  
Tel: 03-2613 1900  
(8.00am – 10.00pm)



Visit us at:  
<https://www.bsn.com.my/islamicBanking/Financing/financing?lang=en>



Email us at:  
[customercare@bsn.com.my](mailto:customercare@bsn.com.my)



Scan the QR code above

#### Customer's Acknowledgement\*

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

- I acknowledge that **Bank Simpanan Nasional** has provided me with a copy of the PDS.
- I have read and understood the key information contained in the PDS.

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

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Name:  
Date: