

PRODUCT DISCLOSURE SHEET

Affin Islamic Bank Berhad [200501027372 (709506-V)]

REMINDER: You are reminded to read this Product Disclosure Sheet (PDS) and product's terms and conditions before you take up the AFFIN ISLAMIC credit card-i. Please seek clarification from the Bank if you do not understand any part of this PDS or product's terms and conditions.

Affin Islamic Cash Line Facility with AFFIN AVANCE Mastercard
Date: 1 August 2022
1. What is this product about?

AFFIN Islamic Cash Line Facility with AFFIN AVANCE Mastercard is a facility which is made available to individual AFFIN AVANCE Mastercard cardmember. The given Cash Line facility limit is 30% of the overall total approved AFFIN AVANCE Mastercard limit.

2. What is the Shariah concept applied?

- AFFIN ISLAMIC Cash Line Facility with AFFIN AVANCE Mastercard ("Facility") is based on Shariah concept of Tawarruq.
- Tawarruq is a series of sale contracts where the buyer buys a commodity asset from a seller for a deferred payment and subsequently sells the commodity asset to a third party for cash at a price less than the deferred price, with the objective of obtaining cash.
- The Customer enters into arrangement with the Bank for Tawarruq Facility and pursuant to creation of Facility limit, the Bank will buy a specific Shariah Compliant commodity ("the Commodity" consists of crude palm oil (CPO), rubber or any other commodity as advised by the Commodity Supplier) from the commodity Broker A/Supplier A at Bank's Purchase Price (which will be equivalent to the facility amount.). The Bank then sells the specific commodity to the Customer at Bank's Sale Price to be paid on deferred payment terms as agreed. The Customer will appoint the Bank as an agent to sell commodity to commodity Broker B/Supplier B at a price equivalent to the Bank's Purchase Price. The proceeds will be used for the purpose as specified above.

3. What do I get from this product?

Eligibility	<ul style="list-style-type: none"> Principal Cardmember of AFFIN AVANCE Visa with the following conditions: <ul style="list-style-type: none"> i) Malaysians or Permanent Residence of Malaysia ii) Age 21 to 65 years old 						
Purpose	<ul style="list-style-type: none"> Personal consumption 						
Overdraft Limit	<ul style="list-style-type: none"> 30% of overall total approved AFFIN AVANCE Mastercard limit 						
Tenure	<ul style="list-style-type: none"> 10 years 						
Effective Profit Rate on Utilised Facility Limit (Daily Rest)	<p>Attractive profit rates as follows: (Terms and Conditions apply)</p> <table border="1"> <thead> <tr> <th>Interest Rate</th><th>Effective Annual Interest Rate</th></tr> </thead> <tbody> <tr> <td>Standardised Base Rate (SBR) + 1.50% per annum</td><td>_____ % per annum</td></tr> <tr> <td>Standardised Base Rate (SBR) + 1.50% per annum</td><td>_____ % per annum</td></tr> </tbody> </table> <p>Note:</p> <ul style="list-style-type: none"> ➤ Profit rate shall be determined at the point of application. ➤ Please visit www.affinalways.com for the latest Standardised Base Rate (SBR). <p>Profit Calculation</p> <p>Formula = Utilised Facility Limit x Profit Rate x <u>No. of Days</u></p> <p style="text-align: right;">365</p>	Interest Rate	Effective Annual Interest Rate	Standardised Base Rate (SBR) + 1.50% per annum	_____ % per annum	Standardised Base Rate (SBR) + 1.50% per annum	_____ % per annum
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Effective Profit Rate on Unutilised Facility Limit (Daily Rest)	<p>The EPR is one percent (1%) per annum on any unutilised Facility limit which is applicable for the Facility amount above RM250,000.00</p> <p>Profit Calculation</p> <p>Formula = Unutilised Facility Limit x Profit Rate x $\frac{\text{No. of Days}}{365}$</p>
Ceiling Profit Rate (CPR)	12.00% annum

4. What is Standardised Base Rate (SBR)?

The Standardised Base Rate (SBR) that we offer for retail floating rate financing is made up of two parts, our benchmark Cost of Funds (COF) and the Statutory Reserver Requirement (SRR) cost imposed by Bank Negara Malaysia.

5. What are the possible scenarios to trigger a change in the SBR?

The SBR can rise or fall due to changes in monetary policy of Bank Negara Malaysia such as the Overnight Policy Rate (OPR) as decided by the Monetary Policy Committee of Bank Negara Malaysia, as well as other factors such as changes in funding conditions.

6. Historical benchmark Cost of Fund (COF) in the last 3 years

Please refer to www.affinalways.com for the latest historical data.

- (Go to **Quick Link** > → **Personal** → **My Cards** → **AFFIN AVANCE™ Mastercard-i** → **Reference Rates**)

7. What are my obligations?

- You are required to pay the profit portion of the Bank's Sale Price on monthly basis (profit payment) subject to the EPR on utilised and unutilised Facility limit which shall not exceed the CPR.
- Upon cancellation/termination of the Facility or/and AFFIN AVANCE Mastercard, you are required to make a full settlement for the outstanding profit payment and the utilized amount (principal portion) of the Bank's Purchase Price.

Important: Your monthly profit and total payment amount will vary subject to Standardised Base Rate (SBR) changes.

	Today's SBR _____ % p.a	If SBR increased by 1%	If SBR increased by 2%
Profit Rate per annum			
Total Profit on Utilised Amount Facility Limit			
Total Profit on Unutilised Facility Limit			
Monthly profit rate for 5 years			
Total profit cost at the end of 5 years			
Total payment amount at the end of 5 years			

IMPORTANT:

- All calculations and information above are for illustration purposes only.
- Please refer to our website at www.affinalways.com → **Personal** → **My Cards** → **AFFIN AVANCE™ Mastercard-i** → **Reference Rates**

- Based on the illustration above, the profit amount shall be raised/lowered with any increase/decrease of the BR and the changes will be reflected on the next following month.
- In the event the Facility is in ninety days (90) in arrears in profit payment and/or or AFFIN AVANCE Mastercard is cancelled, the Facility will be terminated.

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

Type of Fee/Charge	Details of Fee/Charge
Brokerage/Agency Fee	RM5.00 per RM1 million on pro-rate basis
Administration Cost	<p>Account must be operated within the approved limit. Prior approval must be obtained from the Bank if you want to draw any accesses over the approved Facility limit. In the event such excesses over the limit are approved, an Administration Cost at the following rate will be imposed:</p> <ul style="list-style-type: none"> i. Excess Over Limit due to profit charging: 7.00% per annum above the Standardised Base Rate, capped at RM70.00 per occurrence*; ii. Excess Over Limit not due to profit charging: 7.00% per annum above the Standardised Base Rate, capped at RM1,040.00 for 3 days; iii. Amount in excess is to be adjusted within 2 days after occurrence; iv. The Administration Cost will be calculated on daily rest on the excess amount until the excess is adjusted. <p>*occurrence is defined as the situation where you are unable to settle the Excess Over Limit in a timely manner.</p>
Additional financing statement (per request)	RM10.00

Note:

- i. Brokerage/Agency Fee is subject to change from time to time as quoted by the commodity provider.
- ii. We will communicate to you at least twenty-one (21) calendar days prior to the effective date of implementation if there are any changes in fees and charges that applicable to your financing Facility.

9. What if I fail to fulfill my obligations?

- If you have problem meeting your financing obligation, contact us early to discuss payment alternatives. Delay on your part could lead to the following consequences:
 - i. We have the right to set-off any credit balance in any of your accounts maintained with us against any outstanding balance in this Facility account which will we notify you at least seven (7) calendar days in advance.
 - ii. Legal action against you may affect your credit rating leading to credit being more difficult or expensive to you.

Compensation Charges (*Ta'widh*)

- Before maturity of the Facility

A sum equivalent to one percent (1%) per annum on overdue instalment(s) until date of full payment:

$$= \text{Overdue profit or instalment} \times 1\% \times \frac{\text{number of days overdue}}{365}$$

- Upon and after maturity of the Facility

A sum equivalent to the prevailing daily overnight BNM's Islamic Interbank Money Market Rate (IIMM) on outstanding balance i.e. outstanding Bank's Sale Price less *ibra'* (if any):

$$= \text{Outstanding balance} \times \text{prevailing IIMM} \times \frac{\text{number of days overdue}}{365}$$

- It shall commence from the date when payment was first defaulted to the date of actual payment even when the Facility is terminated for any reason whatsoever.
- The compensation charges at the aforesaid rate shall be payable by you after as well as before any judgment or order of court.
- Notwithstanding the amount of compensation charges charged, it is expressly acknowledged and agreed that the said amount of compensation charges shall not be further compounded.

10. What if I fully settled the Facility before its maturity?

There is no fee imposed for early settlement before maturity. The Bank shall grant rebate (*ibra'*) which is equivalent to the deferred profit at the point of settlement.

Ibra' (rebate) formula:

$$\text{Ibra'} (\text{rebate}) = \text{Deferred Profit} - \text{reasonable estimated cost incurred by the Bank (if applicable)}$$

Note:

- Deferred Profit = Total Contracted Profit – Accrued Profit
- Total Contracted Profit = Bank Selling Price – Bank Purchase Price
- Accrued profit is calculated on Profit Rate of the outstanding principal being utilised

11. What are the major risks?

The profit rate on this financing is floating and it is pegged to BR. Profit rate may change according to changes in the reference rates. An increase in Profit rate may result in higher monthly payment/extension of Facility tenure.

Note:

If you have problems to fulfill your Facility obligations, please contact and discuss with us.

12. What do I need to do if there are changes to my contact details?

It is important that you inform the Bank of any change in your contact details to ensure that all correspondences reach you in a timely manner.

13. Where can I get further information?

- a. If you have any enquiries, please contact the Bank via one of the following channels or visit our website at www.affinalways.com

Write in: Cards Business Department
Level 1, Menara AFFIN
No.80 Jalan Raja Chulan
50200 Kuala Lumpur

Contact Centre: 03-8230 2222
03-8230 2323 (AFFIN Premium Cards)

Online Feedback Form at www.affinalways.com
Or visit your nearest Affin Islamic Bank or Affin Bank branches.

14. Where can I get assistance and redress?

- If you have difficulties in making payments, you should contact us earliest possible to discuss payment alternatives:

Address: AFFIN BANK BERHAD Asset Quality Management Department 401 & 501, Block C, Kelana Jaya Business Centre, Jalan SS7/2, 47301 Kelana Jaya, Selangor Darul Ehsan.	Contact Number. 03-8230 2828 Operating Hours: 8:45 a.m – 5:45 p.m (Monday – Thursday) 8:45 a.m – 4:45 p.m (Friday) Fax number(s): 03-7947 5400 / 03-7947 5540
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- If you wish to complain on the product or services provided by us, you may fill-in an “e-Form” for lodgement of customer feedback/complaint” which is available at Bank’s website at www.affinalways.com, that will be escalated to Customer Care & Quality. You may also contact us at:

Address: AFFIN BANK BERHAD Customer Care & Quality 17 th Floor, Menara Affin, 80 Jalan Raja Chulan, Kuala Lumpur	Call Centre Number. 03-8230 2222 Operating Hours: 8:00 a.m – 12:00 a.m (Monday – Sunday) Customer Careline Number. 1-800-88-3883 Operating Hours: 8:45 a.m – 5:45 p.m (Monday – Thursday) 8:45 a.m – 4:45 p.m (Friday) Fax number: 03-2026 1104 Email: yourvoice@affinbank.com.my
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- If your problem or complaint is not resolved by the indicative timeline given, you may contact Bank Negara Malaysia LINK or TELELINK at:

Address: Laman Informasi Nasihat dan Khidmat (BNMLINK) Ground Floor, Block D Bank Negara Malaysia Jalan Dato' Onn 50480 Kuala Lumpur	BNMTELELINK number: 1-300-88-5465 / 1-300-88-LINK +603-2174 1717 (overseas) Operating Hours: 9:00 a.m – 5:00 p.m (Monday – Friday) Fax Number: 03-2174 1515 E-mail: bnmtelelink@bnm.gov.my eLINK Web Form: https://telelink.bnm.gov.my
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- Alternatively, you may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counseling and debt restructuring for individuals. You can contact AKPK at:

Address: Agensi Kaunseling dan Pengurusan Kredit (AKPK) Level 5 and 6, Menara Bumiputra-Commerce, Jalan Raja Laut, 50350 Kuala Lumpur.	Tel : 03-2616 7766 E-mail : enquiry@akpk.org.my
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IMPORTANT NOTE:

**LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DO NOT KEEP UP PAYMENTS ON YOUR CASH LINE FACILITY
YOUR ACCOUNT MAY BE FORECLOSED IF YOU FAIL TO SERVE THE MONTHLY INSTALMENT PAYMENT FOR YOUR CASH
LINE FACILITY ON REGULAR BASIS.**

The information provided in this disclosure sheet is valid on _____.

I/We hereby acknowledge that the key terms of this product disclosure sheet, in particular the terms affecting my/our obligations, have been adequately explained to me/us by the Bank's staff, representative or agent.

Signature :

Name :

IC Number :

Date :