

## **AFFIN ISLAMIC CASH LINE FACILITY WITH AFFIN AVANCE MASTERCARD TERMS & CONDITIONS**

### **1. DOCUMENTATION**

- 1.1 Definition of Customer refers to the applicant named in the Application Form upon approval of the Cash Line-i Facility ("Facility") by Affin Islamic Bank Berhad ("the Bank").
- 1.2 These General Terms and Conditions and all other documents relating to the Facility shall form a binding agreement for this Facility.
- 1.3 These General Terms and Conditions will take effect from the date this Facility is approved.
- 1.4 The Commodity is sold by the Bank to the Customer on an "as is where" is basis.

### **2. CASH LINE-i FACILITY**

- 2.1 The purpose of the Facility is for personal consumption.
- 2.2 Upon approval of the Facility, the Bank shall deliver to the Customer an Approval Notice or SMS/email stating the Facility amount, Effective Profit Rate, fees and charges and any other General Terms and Conditions.
- 2.3 Utilization of the Cash Line-i Facility shall be deemed acceptance of the Facility and the General Terms and Conditions applicable.
- 2.4 The Facility is payable in demand and the liabilities therein under shall remain continuing until full settlement. Notwithstanding that the Facility is payable in demand, the profit portion shall be serviced monthly.
- 2.5 Account must be operated within the approved limit. Prior approval must be obtained from the Bank if you want to draw any excesses 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.
  - i. Excess Over Limit due to profit charging: 7.00% per annum above the Standardised Base Rate (SBR), capped at RM70.00 per occurrence\*;
  - ii. Excess Over Limit not due to profit charging: 7.00% per annum above the SBR, capped at RM1,040.00 for three (3) days;
  - iii. Amount in excess is to be adjusted within two (2) days after occurrence;
  - iv. The Administration Cost will be calculated on daily rest on the excess amount until the excess is adjusted.\* occurrence is defined as the situation where you are unable to settle the Excess Over Limit in a timely manner.

The rate for Administration Cost on excess Facility in this Application form may be varied by the Bank at absolute discretion with prior notice to you at least twenty-one (21) calendar days before the changes occur.

- 2.6 The Facility's tenure is for ten (10) years. However, this Facility is payable on demand and the liabilities in the Application form under shall remain continuing until full settlement. Notwithstanding that the Facility is payable on demand, profit portion shall be serviced monthly.
- 2.7 Notwithstanding the above, the Facility shall be terminated in the event of AFFIN AVANCE Mastercard with Cash Line Facility is cancelled before the end of the Facility Tenure.

### **3. EFFECTIVE PROFIT RATE (EPR)**

#### **3.1 Effective Profit Rate on Utilised Facility Limit**

- a. The EPR is a combination of Standardised Base Rate (SBR) plus Spread Profit Rate.
- b. The current SBR and EPR is as specified in this Terms & Conditions is subject to change with seven (7) calendar days for SBR and twenty-one (21) days for EPR of prior notification. The notification of such variation may be by way of advertisement in any newspaper circulating in Malaysia, or by notice displayed at the Bank's premises or such other mode as the Bank deems fit.

#### **3.2 Effective Profit Rate on Unutilised Facility Limit**

- a. The EPR is one percent (1%) per annum on any unutilised Facility limit which is applicable for the Facility amount above RM250,000.00
- b. The EPR is effective from the date of disbursement notice until full settlement of the account.
- c. The EPR on utilised and unutilised Facility limit collectively shall not exceed the Ceiling Profit Rate (CPR) of twelve percent (12%) per annum.
- d. The EPR is calculated on daily outstanding amount and is to be serviced on a monthly basis.
- e. The rate specified in this Terms & Conditions is offered to Customer on the basis that the Facility is utilised within the sanctioned limit.

#### **4. COMPENSATION CHARGES (TA'WIDH)**

- 4.1 Customer shall be liable to pay the Bank's compensation on any amount overdue as follows (in accordance with the approved formula by the Shariah Advisory Council of Bank Negara Malaysia (BNM) and any amendment of the same):
- a) If the default occurs during the tenure of this Facility, at the rate of one percent (1%) per annum on such overdue installment under this Facility or on such outstanding balance of the principal sum and earned profits (if any) (subject to rebate, if applicable), in the case of default causing the entire Facility to be recalled or brought to the court for judgement prior to maturity, whichever applicable, or any other method approved by the Bank's Shariah Committee and/or Shariah Advisory Council of BNM; and
  - b) If the default occurs after the maturity of this Facility or upon judgment, whichever is earlier, at the rate which is the prevailing daily overnight Islamic Interbank Money Market (IIMM) rate on such outstanding balance of the principal sum and earned profits (if any) (subject to rebate, if applicable) or any other method approved by the Bank's Shariah Committee and/or Shariah Advisory Council of BNM.
- 4.2 It is further agreed that the Compensation Charges shall not be compounded.
- 4.3 The Compensation Charges at the aforesaid rate shall be payable by the Customer after as well as before any judgment or order of court.

#### **5. RIGHT TO REVIEW AND TERMINATE THIS FACILITY**

- 5.1 The Bank reserves the right and is entitled to review this Facility at any time as the Bank in its discretion considers fit, without any obligation, be it at law or in equity, to give any reasons therefore and whether or not the events set out in clause 12 of this document have occurred.
- 5.2 Nothing in these presents contained shall be considered to impose on the Bank any obligation, either at law or in equity, to make or continue to make available this Facility.
- 5.3 The Bank shall provide at least twenty-one (21) days prior notice to the Customer before the new changes take effect.
- 5.4 Notwithstanding any other provision contained in this Terms and Condition or in any other documents, the Bank will at all times have the right to terminate, cancel, suspend or reduce the limit of all or any part of this Facility and/or to require immediate payment, of all or any part of the sums actually or contingently owing to it with at least prior notice and reason to the Customer.

#### **6. PAYMENT**

- 6.1 The Customer shall be liable to pay to the Bank upon disbursement and utilization of the Facility. Profit to be served on monthly basis until settlement of the account.
- 6.2 The payment is subject to adjustment due to variation on the EPR.
- 6.3 In the event the EPR is varied, the Bank reserves the right to vary the payment amount accordingly with a written advance notice of not less than twenty-one (21) days to the Customer.
- 6.4 The Bank's Sale price is calculated at CPR. However, the monthly payment will be calculated based on the EPR which will not exceed the CPR.

#### **7. REPRESENTATIONS AND WARRANTIES**

- 7.1 The Customer give representations and warranties that:-
- a) the Customer have the capacity to enter and undertake the obligations as stated in this General Terms and Condition (as the case may be);
  - b) the Customer are not in default of any agreement (whether in relation to payment, performance or otherwise) to which the Customer are a party or by which the Customer are bound;
  - c) there is no litigation, arbitration or dispute whether actual, pending or threatened against the Customer;
  - d) all financial statements received or to be received by the Bank in respect of the Customer present a true and fair view of the Customer' financial position;
  - e) there is no material adverse change in the Customer' financial condition and where applicable, the operating environment or management of the Customer' business which will materially affect the Customer' ability perform the Customer' obligations under this Terms and Condition;
  - f) acceptance of this Terms and Condition, delivery and performance of all obligations under this Application will constitute valid and enforceable obligations and do not or will not contravene the provisions of any law, regulation, rule, order, writ, injunction or decree of any court, administrative or regulatory body to which the Customer are subject, and does not contravene any other agreement to which the Customer is a party or undertaking by which the Customer or the Customer' assets are bound;
  - g) the Customer has fully disclosed in writing to the Bank all facts relating to the Customer which the Customer know or should reasonably know, and which are material for disclosure to the Bank in the context of this Facility;

- h) all the information furnished by the Customer in connection with this Facility do not contain any untrue statement or omit to state any fact and all expressions of expectation, intention, belief and opinion and all projections contained therein were honestly made on reasonable grounds after due and careful enquiry;
- i) the Customer is subject to civil and commercial law with regard to the obligations under this Facility and the execution, delivery and performance of the obligations created hereunder constitute private and commercial acts rather than governmental or public acts and the Customer nor any of the Customer's properties do not enjoy any immunity on the grounds of sovereignty or otherwise in respect of Customer's obligations arising under this Facility;
- j) no bankruptcy or winding up proceedings have been commenced against the Customer and/or the Customer's company.

## **8. COSTS, EXPENSES AND FEES**

8.1 Notwithstanding that this Facility may be cancelled or aborted for any reason whatsoever at any time:

- a) all costs and expenses (including other similar duties and taxes and any penalties on the same), recovery related expenses or the redemption of the Customer's account or in connection with any of the Customer's accounts or assets shall be payable by the Customer on demand, on a full indemnity basis;
- b) if any money payable under this Facility is required to be recovered through any process of law or such other process, or placed in the hands of solicitors for collection, the Customer shall be liable to pay the Bank's solicitors (on a solicitor and client basis) and any other fees and expenses incurred in respect of such collection;
- c) the Bank shall have the right to debit the Customer's account with profit, commission, charges, fees, and all monies arising from this Facility including the costs mentioned in the preceding paragraphs.

## **9. DISCRETION OF BANK AS TO APPLICATION/TRANSFER OF MONIES**

9.1 If any sum paid or recovered in respect of the Customer's liabilities is less than the amount owing, the Bank may apply that sum to pay off the profit, fees, principal or any amount due in such proportion and order and generally in such manner as the Bank thinks fit or may credit or transfer any monies standing to the credit of the Customer's Bank's account(s) of whatever description and wherever located towards discharge of the sum due to the Bank to a non-profit/hibah bearing suspense account for as long as the Bank thinks fit without any obligation in the meantime to apply the same or any part thereof in or towards the discharge of any money or liabilities due or incurred by the Customer to the Bank.

## **10. RIGHT OF SET OFF, COMBINATION OR CONSOLIDATION OF ACCOUNTS**

10.1 The Bank shall be entitled (but shall not be obliged) with at least seven (7) days prior notice to the Customer to combine, consolidate or merge all or any of the Customer's accounts and liabilities with and to the Bank anywhere whether in or outside Malaysia and may transfer or set off any sums in credit in such accounts in or towards satisfaction of any of the Customer's liabilities whether actual or contingent, primary or collateral notwithstanding that the credit balances on such accounts and the liabilities on any other accounts may not be expressed in the same currency and the Bank is hereby authorised to effect any necessary conversions at the Bank's own rate of exchange then prevailing.

## **11. STATEMENT BY BANK**

11.1 A statement or notice by the manager or any duly authorised officer or agent of the Bank for the time being or computer-generated notices issued by the Bank which do not require signatures as to the amount of such balance and liabilities incurred or due to the Bank or as to the rate of profit or the amount of profit payable, shall be conclusive evidence for all purposes, save for manifest error.

## **12. EVENTS OF DEFAULT**

12.1 If any of the following events shall occur:

- a) Non-payment: the Customer fails to pay the Indebtedness due from under this Agreement on the due date, whether formally demanded or not; or
- b) Non-payment of other amounts under Facility: the Customer fail to pay any amount due under the Facility on the due date or, if so payable, on demand and such failure to pay is not remedied within fourteen (14) days from the date such amount is due or demanded; or
- c) if the Customer breaches or threatens to breach any covenant, undertaking, term, conditions or provisions of this Terms and Condition or in any document delivered pursuant to this Facility (other than an obligation of the

- type referred to in clause 12.1 (a) above) and fails to remedy such breach within twenty one (21) days after notice from the Bank or such other time period stipulated by the Bank: or
- d) if legal proceedings, suits or actions of any kind whatsoever (civil or criminal) is instituted against the Customer; or
  - e) if the Customer shall commit an act of bankruptcy or if the Customer or the guarantor becomes insane or passes away; or
  - f) if the Customer shall enter into composition, moratorium or arrangement with or shall make a general assignment for the benefit of the Customer's creditors; or
  - g) if any event occurs or circumstances arise including changes in the Customer's financial condition which in the opinion of the Bank prejudice the Customer's ability to perform the Customer's obligations; or
  - h) if the Customer fails to operate the Customer's/their account(s) with the Bank in a satisfactory manner; or
  - i) if any representation or warranty made or implied to the Bank is incorrect or misleading in a material particular as of the date on which it was made or considered to have been made; or
  - j) if any other event occurs which in the sole opinion of the Bank could or might affect or prejudice the Customer's ability or willingness to comply with all or any of the Customer's obligations under this Terms and Condition.

### **13. GOVERNING LAW**

- 13.1 This Terms and Condition shall be construed and have effect in all respects in accordance with the laws of Malaysia and the Customer submit to the jurisdiction of the Malaysian Courts, but such submission shall not be construed so as to limit the right of the Bank to commence proceedings in the courts of any other country. The service of any writ or summons or any legal process in respect of any actions or proceedings may be affected on the Customer by forwarding a copy of the writ or summons or statement of claim or other legal process by prepaid registered post (or such other mode as stipulated by law) to the Customer' address for the time being. Where served by post, such writ summons or statement of claim or such other legal process shall be considered to have been served on the Customer two (2) days after the date of posting.

### **14. CHANGE IN CIRCUMSTANCES**

- 14.1 Illegality: If the Bank determines that the introduction or variation of any law, regulation or official directive (whether or not having the force of law) or any change in the interpretation or application thereof makes it unlawful for the Bank to maintain, fund or give effect to its obligations hereunder, the Bank shall forthwith give notice of such termination to the Customer whereupon this facility to such extent shall be cancelled and the Customer will forthwith upon notice from the Bank pay all moneys payable under this Facility together with any profit thereon and all other monies agreed to be paid by the Customer under this Application.
- 14.2 All agreement(s), obligation(s) given or undertaken by the Customer shall continue to be valid and binding notwithstanding the Customer death, bankruptcy or mental incapacity, or any change in the constitution of the Bank by amalgamation, consolidation, reconstruction, and new shareholding or otherwise.

### **15. COMPLIANCE WITH LAW**

- 15.1 The Customer shall ensure continued compliance for the duration of this Facility with all statutes, by-laws, and guidelines in Malaysia.

### **16. BANKRUPTCY OR WINDING UP SEARCH**

- 16.1 The Bank may but is not obliged to conduct bankruptcy or winding up searches (as the case may be) on the Customer prior to the disbursement of this Facility and at any time from time to time hereafter.
- 16.2 In the event that any of the searches confirm that the Customer is an adjudged bankrupt or wound up (as the case may be), or if there are any legal proceedings, suits or actions of any kind whatsoever, be it civil or criminal, instituted against the Customer, the Bank reserves the right to withdraw, cancel and or terminate this Facility.

### **17. IMPOSITION OF TERMS BY BANK NEGARA MALAYSIA**

- 17.1 This Facility shall at all times be governed by such rules, regulations and/or directives imposed by BNM any authority having jurisdiction over the Bank.

### **18. NOTICES**

- 18.1 Any demand, request, notice or other communication (collectively referred to as "Notices") by or on behalf of the Bank or the Customer shall be in writing.

- 18.2 Notices may be given or made by post, facsimile, personal delivery or such other mode as may be allowed by the Bank. Notices shall be issued by or on behalf of the Bank (including computer generated notices/statements that do not require any signature) to the Customer at the address, facsimile number or electronic mail address as stated in this Application Form or the last known address, facsimile number or electronic mail address notified by the Customer in writing.
- 18.3 The Notices are considered delivered to the Customer:
- a) in the case of post, five(5) business days after the date of posting;
  - b) in the case of facsimile, on the day of transmission;
  - c) in the case of electronic mail, on the day of transmission provided that the Bank has not received a failed or undeliverable message from the host provider of the recipient within the day of transmission;
  - d) in the case of personal delivery, at the time of delivery;
  - e) in the case of any Notices given orally, on the day such Notices are given. Such Notices shall be subsequently confirmed in writing by the Bank;
  - f) in the case any Notices given via short messaging service system or any other mode which is not recorded in writing, at the time of transmission of such Notices.
- 18.4 Notices by the Customer to the Bank shall be duly signed by the Customer or where permitted by the Bank, by the Customer duly authorised signatory and served on the Bank at the address or facsimile number as notified in writing by the Bank from time to time. Notices are considered received by the Bank upon actual receipt of the same except:
- a) in the case of Notices sent by facsimile after 5.00 p.m., such notices shall be considered received by the Bank on the next Business Day; and
  - b) where it is considered necessary by the Bank to verify the Customer' identity or the source of the Notices, the Customer may be required to deliver at the Customer' own cost to the Bank such documentary evidence (including the actual or original Notices) as may be required by the Bank. Where such verification is required by the Bank, the Notices are considered received by the Bank only upon receipt by the Bank of such additional documentary evidence requested by it.
- 18.5 All facsimile Notices should be followed by the original Notice to be delivered by post or by hand, but any delay or failure by the Bank to receive the original Notice shall not affect the validity of any act or omission by the Bank taken in reliance on the facsimile Notice.

## **19. MODIFICATION AND INDULGENCE**

- 19.1 The Bank with an advance notice not less than twenty-one (21) days and without in any affecting the rights, power and remedies conferred upon the Bank under this Terms and Condition, subject to Shariah principle (as the case may be), as follows:
- a) neglect or forbear to enforce any of the terms in these General Terms and Condition or any agreement between the Customer and the Bank or waive such terms as it considers fit or any breach by the Customer of the same without prejudice to its right at any time afterwards to act or insist to act strictly in accordance with the originally agreed terms in respect of the existing or subsequent breach; or
  - b) determine, vary, renew or increase any credit or other facility granted to the Customer and may open or continue any account or accounts (or both) with the Customer' branch or branches of the Bank; or
  - c) restructure or reschedule any credit or other facility granted to the Customer, including but not limited to varying the number and or the amount of the installments to be paid by the Customer; or
  - d) grant to the Customer at any time an indulgence or waiver or consent or release; or
  - e) release or discharge or compound or enter into any deed of composition with the Customer; or
  - f) vary or amend any of the terms of any of this Facility by giving Customer, at least twenty-one (21) days notice and reason before new Terms and Condition take effect; or
  - g) grant further facilities, convert, vary, interchange, appropriate or substitute partly or wholly any of this Facility with other banking facilities.

## **20. INDEPENDENT PAYMENT OBLIGATIONS**

- 20.1 The Customer hereby expressly agree and declare that each of the Customer' obligations to pay under this General Terms and Condition, constitute separate and independent obligations, shall give rise to separate and independent causes of actions, shall apply despite any waiver granted by the Bank and despite any judgment, order, claim or proof for a liquidated amount in respect of some other obligation. The Bank may independently or simultaneously commence any other action under such obligations.

## **21. NOTIFICATION**

- 21.1 The Customer shall give the Bank written notice of any event of default under these General Terms and Condition within three (3) Business Days of the Customer becoming aware of the occurrence of the same.



## **22. INDEMNITY**

- 22.1 Without prejudice to the foregoing terms and provisions and in addition and without prejudice to any other powers, rights and remedies which the Bank may be entitled to, the Customer shall indemnify the Bank and hold the Bank harmless from and against any losses, damages and expenses, legal or otherwise, (including but not limited to all legal costs incurred by the Bank on a solicitor and client basis) which the Bank may sustain, suffer or incur as a consequence of any default in the payment of this Facility and profit thereon or any portion thereof, or any other amounts payable hereunder, or on account of the non-observance of all or any of the terms stipulations agreements and provisions on the Customer part contained herein, and such losses, damages and expenses shall include but not be limited to such amount as the Bank shall certify (such certification being accompanied by the basis and calculation of such amount and being conclusive and binding upon the Customer save for any manifest error), unless such losses, damages or expenses are attributable to the default, negligence or fraud of the Bank.

## **23. GROUP PRIVACY NOTICE**

- 23.1 The Customer confirm that the Customer has read, understood and agreed to be bound by the ABB Group Privacy Notice and the clauses herein, as may relate to the processing of the Customer' personal information. For the avoidance of doubt, the Customer agree that the said Group Privacy Notice shall be considered to be incorporated by reference into this Terms and Condition.
- 23.2 In the event the Customer provides personal and/or financial information relating to third parties, including information relating to the Customer' next-of-kin and dependents, for the purpose of opening or operating the Customer account(s)/facility(ies) with the Bank or otherwise subscribing to our products and services, the Customer:
- a) confirm that the Customer have obtained their consent and/or are otherwise entitled to provide this information to us and for us to use it in accordance with this Terms and Condition;
  - b) agree to ensure that the personal and financial information of the said third parties is accurate; and
  - c) agree to update the Bank in writing in the event of any material change to the said personal and financial information.
- 23.3 Where the Customer instruct the Bank to effect any sort of cross border transaction (including to make or receive payments), the details relevant to the cross border transaction (including information relating to those involved in the said transaction) may be received from or sent abroad, where it could be accessible (whether directly or indirectly) by overseas regulators and authorities in connection with their legitimate duties (e.g. the prevention of crime). In instructing the Bank and/or the Bank's agents to enter into any cross-border transaction on the Customer behalf, the Customer agree to the above said disclosures on behalf of the Customer and others involved in the said cross border transaction.
- 23.4 The Customer acknowledge that certain communications such as statements of account and the Bank's websites contained standard information regarding the Bank other products and services that cannot be removed without affecting the delivery/provision of the Bank's services and/or products, the operation of the Customer' account(s) and/or facility(ies) with us, and/or additional costs to the Customer.
- 23.5 The Bank may use a credit reference agency to help make decisions, for example when the Bank need to:
- a) check details on applications for credit and credit related or other facilities;
  - b) manage credit and credit related accounts or facilities, including conducting reviews of the Customer' portfolio(s); and / or
  - c) recover debts.
- 23.6 The Customer will be linked by credit reference agencies to any other names the Customer use or have used and any joint and several applicants. The Bank may also share information about the Customer and how the Customer managing the Customer' account(s)/ facility(ies) with relevant credit reference agencies.
- 23.7 The Bank reserves the right to amend this clause from time to time at the Bank's sole discretion and shall provide twenty-one (21) days prior notification to the Customer in writing and place any such amendments on the Bank's websites and/or by placing notices at the banking halls or at prominent locations within the Bank's branches.
- 23.8 This clause shall be without prejudice to any other clause in this General Terms and Condition or in the regulatory requirements of BNM which provides for the disclosure of information.

## **24. TAX CLAUSE**

- 24.1 Any sum set out in this General Terms and Conditions or otherwise payable by any party to any other party shall be considered to be exclusive of any Goods and Services Tax or tax of similar nature such as the Sales and Services Tax ("Tax").
- 24.2 If one party ("Vendor") is required by the terms herein to make a supply to the other ("other party"), such supply shall be made without any charge of Tax by the Vendor in respect of such supply unless such Tax is required by law to be paid by the Vendor in such case the other party shall on demand pay to the Vendor (in addition to the consideration for such supply) a sum equal to the amount of such Tax and the Vendor shall provide the other party with a valid Tax invoice.
- 24.3 Charges relating to the Facility exclude tax that would be imposed in the future to replace existing taxes.

## **25. FORCE MAJEURE**

- 25.1 The Bank is not required to undertake its obligations if it is prohibited to do so as a direct or indirect result of any natural disasters, riots, public unrests, terrorist act, labor strikes, lock out, fires, floods, accidents, machine failures or computer/computer system or anything out of the reasonable control of the Bank.

## **26. WHISTLE BLOWING AND BUSINESS ETHICS**

- 26.1 The Customer shall, as soon as reasonably possible, in writing or orally, inform any of the officers of the Bank, upon having knowledge of any director, officer or employee of the Bank, directly or indirectly, asking for or receiving from the Customer or its Affiliates, any Gratification in relation to this Agreement whether for his own personal benefit or advantage or of the benefit or advantage of any other person, in relation to this Agreement, whether before, during or after the term of this Agreement, and the Customer or its Affiliates knows that such Gratification is not for the benefit of the Bank.
- 26.2 The Customer undertakes that neither it nor its Affiliate nor anyone acting on its direction or authority shall, whether before, during or after the term of this Agreement, directly or indirectly, give or offer, or agree to give or offer, any Gratification in relation to this Agreement as an inducement or reward to any director, officer or employee of the Bank or any other person, for doing or forbearing from doing or for having done or forborne from doing any act, or for showing or forbearing from showing favour or disfavour to any person, in relation to this Agreement.
- 26.3 In the event there is evidence that the Customer, its Affiliate or anyone acting under its direction or authority is in breach of clause above, the Bank may terminate this Agreement (without prejudice to the Bank's other rights remedies under the law) by giving written notice to the Customer. Upon such termination, the Bank (or any description consistently used in this Agreement) shall be entitled to claim all losses, costs, damages and expenses including any incidental costs and expenses incurred by the Bank arising from such termination. The Customer shall not be entitled to recover from the Bank any loss arising from such termination.
- 26.4 Notwithstanding any other provision herein but subject to any written law and with the exception of written requests from the Customer's internal auditors or lawyers for information required by any laws, the Bank shall keep confidential any information disclosed or received including the identity of the person giving the information and all the circumstances relating to the information.
- 26.5 The Customer shall also whistle-blow in the event of any malpractice or wrong-doing by the Bank's staff or employees toward them or their staff, agents or contractors.
- 26.6 For the purpose of this clause:
- a) "Affiliate" means in relation to the Customer, any person or entity owned and controlled directly or indirectly by the Customer, or any person or entity that controls directly or indirectly the Customer in any way;
  - b) "Gratification" includes any gift, money, property or thing of value or any service, favour or other thing of value, or any service, favour or other intangible benefit or consideration of any kind, or any other similar advantage.
- 26.7 The Customer shall demonstrate a high standard of ethical conduct and professionalism in order to safeguard \* the Bank's good name by taking all necessary safeguards and precautions to alert the commission of any unethical action including any appearance or impression to such effect.

## **27. SHARIAH COMPLIANCE**

- 27.1 The Customer hereby agrees and confirms that this Facility and any transaction entered into pursuant to this Facility are subject to and in conformity with Shariah principles, as ascertained by the Shariah Advisory Council (SAC) of Bank Negara Malaysia and/or any other authority having jurisdiction over the Bank.
- 27.2 Where in any proceedings relating to this Facility and any transaction entered into pursuant to this Facility before any court or arbitrator any question arises concerning a Shariah matter, the court or the arbitrator, as the case may be shall:
- a) take into consideration any published rulings of the SAC; or
  - b) refer such question to the SAC for its ruling.
- 27.3 Any such rulings made by the SAC shall be final and binding among the Customer and the Bank and the court or arbitrator making a reference to the SAC.
- 27.4 If at any time before or during this Facility and any transaction entered into pursuant to this Facility, it is discovered or it has come to the attention of the Customer and the Bank that any aspect or part/portion of this Facility, is likely to infringe any Shariah principles, guidelines, specifications, standards or circulars, the Customer and the Bank hereby agree that the relevant provision and/or term shall be amended/varied for compliance purpose. The amendment or variation is to such extent as is necessary to be in conformity with Shariah principles, guidelines, specifications, standards or circulars. The Bank shall be entitled to issue such amendments or variations by giving the requisite twenty-one (21) calendar days' notice to the Customer.
- 27.5 The Customer agrees that the Indebtedness arising from the Customer's utilization of the Facility shall remain intact and owing and shall not in any way or manner be affected adversely by any Shariah ruling as above.

## 28. TAWARRUQ CONCEPT

- 28.1 The Facility is based on Shariah principle of Tawarruq whereby:
- a) The Customer shall enter into the Tawarruq Transaction prior to disbursement of this Facility;
  - b) In accordance with the Shariah concept of Tawarruq, the Tawarruq Transaction as follows shall take place:
    - i. Pursuant to the Purchase Undertaking, the Bank will, at the Customer's request, purchase 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 Commodity Supplier at the Bank's Purchase Price;
    - ii. Pursuant to the appointment of agent in this Application Form, the Bank will sell the Commodity to the Customer at the Bank's Sale Price on deferred payment terms. Subsequently the Bank, acting as the Customer's agent, will sell the Commodity to the Commodity Supplier (who shall not be the same commodity supplier in (i) above, except where the sale is on random basis) at the Bank's Purchase Price which is equivalent to the amount of this Facility. The proceeds from the sale will be made available to the Customer, subject to the Terms and Condition of this Facility.
  - c) In relation to the agency created under the appointment of agent in this Application Form, the Customer shall pay to the Bank the Brokerage Fee (Agency Fee), subject to the Terms and Condition as stated in this Terms and Condition;
  - d) Brokerage Fee shall be paid by Customer either by way of deduction of the Current and/or Savings Account or debiting the Facility prior disbursement.
  - e) The Commodity is sold by the Bank to the customer on an "as is where" is basis.
  - f) The Commodity shall be any commodity which is permissible and is in compliance with Shariah principles as specified at the time of transaction.

## 29. REBATE (IBRA') FOR EARLY SETTLEMENT

- 29.1 For this Facility, the Bank shall grant rebate to the Customer if any of the following shall occur:
- a) Early settlement or early redemption, including those arising from prepayments;
  - b) Settlement of the original financing contract due to financing restructuring exercise;
  - c) Settlement of this Facility in the case of default; and
  - d) Settlement of this Facility in the event of termination or cancellation of financing before the maturity date.
- 29.2 Rebate shall be calculated based on the following formula:

$$\text{Rebate (Ibra')} = (\text{Deferred Profit}) - (\text{Reasonable Estimated Cost Incurred by the Bank})$$

- 29.3 Rebate shall not be construed in any manner whatsoever as cash rebate payable to the Customer but shall be reflected as a reduction in the profit element of the installment of the Bank's Sale Price.
- 29.4 Rebate shall only be granted in the manner as determined by the Bank upon receipt of the settlement/redemption sum.

The Bahasa Malaysia version of the terms and conditions is available at [www.affinalways.com](http://www.affinalways.com)

### AFFIN BANK BERHAD CARDS BUSINESS DEPARTMENT

All contents © 2021 Affin Islamic Bank Berhad  
(Version 2 – August 2022)