

PRODUCT DISCLOSURE SHEET

Please read and understand this Product Disclosure Sheet before you subscribe to Commodity Murabahah Deposit-i (CMD-i). Be sure to also read and understand the terms stated herein together with the letter of offer, the Standard Terms and Conditions and any other agreements in relation to this product. You are hereby reminded to always seek and obtain your own independent legal advice. Kindly seek clarification from the Bank if you do not understand the general terms or any part of this document.



Commodity Murabahah Deposit-i

This product is protected by Perbadanan Insurans Deposit Malaysia up to RM250,000 for each depositor.

Date :

1. What is this product about?

Commodity Murabahah Deposit-i (CMD-i) refers to a sum of money deposited with Affin Islamic Bank Berhad (the Bank) for the purpose of investment in Shariah compliant activities for a specific tenor.

2. What is the Shariah concept applicable under this product?

This product is based on Shariah principles of Wakalah with underlying Commodity Murabahah. Under Wakalah concept, the Customer ('muwakkil') appoints Affin Islamic Bank Berhad (the Bank) as an Agent to conduct and execute a particular transaction using the Customer's deposit. For this purpose, the Bank being an Agent to the Customer enters into Murabahah transaction for Shariah compliant investment purposes. This is based on Murabahah (cost plus sale) concept, whereby a specific Shariah compliant commodity (the Commodity) will be identified and used as an underlying asset for the purchase and sale transaction.

Upon confirming the details of placement, the Customer immediately pays the Purchase Price of the Commodity (equivalent to deposit amount) to the Bank. The Bank as an Agent to the Customer shall subsequently or on the next Business Day enter into Murabahah transaction. Being the agent of the Customer, Bank buys specific commodity on cash basis (at a price equivalent to deposit amount placed) from commodity Broker A. Being the agent again, Bank then, on behalf of the customer, sells the commodity to the Bank itself on Murabahah basis on deferred payment. The price represents the deposit plus fixed return amount payable to the Customer. Then, the Bank sells the commodity to Broker B on cash and spot basis. Upon maturity, Bank pays to the Customer at a price, comprising of deposit plus profit.

3. What do I get from this product? / What are the features of this product?

- (i) Minimum amount – RM 100,000
- (ii) Tenure applicable range from overnight up to 365 days.
- (iii) Profit rate is fixed upfront upon placement and shall be determined by the Bank from time to time.
- (iv) Profit for this product is payable only at maturity.
- (v) All payment by the Bank to the Customer shall be made through branches, or by other means as mutually agreed upon by the Bank and the Customer.

4. What are the other key terms and conditions of this product that I should know?

- (i) For Early Payment (Premature Withdrawal), the Customer shall agree to grant Ibra' (rebate) on a part or all of the contracted profit to the Bank.

With effect from 1 January 2019, for any new placement and/or renewal of CMD-i made on or after 1 August 2018, no profit will be paid for premature withdrawal.

As an illustration on the premature withdrawals are as follows;

4. What are the other key terms and conditions of this product that I should know? (cont'...)

Date of Placement or Renewal	Date of Premature Withdrawal	Premature Withdrawal
Prior to 1 August 2018	Prior to 1 January 2019 From 1 January 2019	For Early Payment (Premature Withdrawal), the Customer shall agree to grant Ibra' (rebate) on a part or all of the contracted profit to the Bank as follows: <ul style="list-style-type: none">The Bank shall pay profit computed based on completed days of prevailing market rates. The customer shall waive his right to the Bank on the remaining contracted profit.
From 1 August 2018	Prior to 1 January 2019 From 1 January 2019	

(ii) Top-up is not allowed at any point of time during the tenure

(iii) Renewal :

- (a) Renewal is allowed upon maturity.
- (b) In the case of renewal upon maturity, the profit can be redeposited together with the principal amount, for the same tenure unless otherwise advised by the Customer.
- (c) If the Bank does not receive any verbal or written instruction from Customer, the Bank will credit the principal plus profit back to customer account upon maturity.

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

The Bank may impose a handling fee / Commodity Murabahah trading fee in a manner deem fit by the Bank, and reserves the right to vary the fee at any time or from time to time as AFFIN ISLAMIC deem fit.

6. What are the risks involved?

You are advised to carefully consider all risk factors before making an investment decision. There is no risk involved in this product if no early withdrawal is made.

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

It is important that you inform us on any changes in your contact details to ensure that all correspondences reach you in a timely manner.

8. Where can I get further information?

Should you require additional information about this product, please refer to the Terms and Conditions available at all of our nearest Affin Islamic Bank Berhad or Affin Bank Berhad branches or visit www.affinislamic.com.my / www.affinonline.com

Should you require additional information about investment, please refer to the *bankinginfo* booklet on 'Investing Your Money', available at all our branches and the www.bankinginfo.com.my website.

If you have any enquiries, please contact our Call Centre at 03-8230 2222 or email to yourvoice@affinbank.com.my

The information provided in this disclosure sheet is valid as at 4th June 2020.

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.

NAME :

DATE :

SIGNATURE :