AFFIN ISLAMIC

PRODUCT DISCLOSURE SHEET (PDS)	ENGLISH VERSION
(REMINDER: You are reminded to read and understand the terms and conditions of this Product Disclosure Sheet before signing below. In the event there are any terms and conditions in this Product Disclosure Sheet you do not understand, you are advised to seek independent advice and/or discuss further with the Bank's representative or agent before signing below.)	Bank : **Affin Islamic Bank Berhad** Product : **AFFIN Smart Money-i** **Date of Issuance to Customer:** _____ (to be filled out upon application)

1. What is this product about?

AFFIN Smart Money-i is a Cash Line against Affin Islamic Term Deposit-i (AITD-i)/Affin Bank Fixed Deposit (FD) facility which is made available to individual AITD-i/FD customer. The given Cash Line Facility limit is up to 100% of the AITD-i/FD placed with Affin Islamic Bank Berhad or Affin Bank Berhad.

2. What is the Shariah concept applicable?

- ***Tawarruq***
  The Shariah Concept applied for AFFIN Smart Money-i is *Tawarruq*.
  Tawarruq consist of two sale and purchase contracts where the Customer purchase the Commodity from the Bank at a mark-up sale price (Bank's Sale Price) on a deferred payment basis and subsequently sells the Commodity to a Commodity Supplier for cash at the Bank's Purchase Price with the objective of obtaining cash.
- ***Wakalah***
  Under this facility, the Bank will apply the dual-agency mechanism under the *Wakalah* concept. The Customer appoints the Bank as the Customer's agent to purchase the Commodity from the Bank and subsequently sells the Commodity to another Commodity Supplier on behalf of the Customer in order to complete the *Tawarruq* transaction.
- ***Wa'd***

  The customer will execute the Purchase Undertaking based on *Wa`d* concept. Under the Purchase Undertaking, the Customer undertakes to purchase from the Bank a specific Shariah compliant commodity ("the Commodity" consists of crude palm oil (CPO), rubber or any other commodity) as advised by the Commodity Supplier at Bank's Sale Price.

3. What do I get from this product?

Eligibility	Individual: - (i) Malaysians and Permanent Resident (ii) Age 18 and above
Purpose	Personal Consumption
Facility Limit	· Minimum: RM10,000 · Maximum: Up to 100% of AITD-i /FD value held under lien · Customer can combine several of his/her AITD-i accounts to apply for the preferable facility amount/ limit.
Tenure	· Minimum: 12 months · Maximum: 10 years · The Cash Line Facility tenure will be benchmarked against the AITD-i /FD and will be offered as long as the AITD-i remains earmarked with the Bank.
Effective Profit Rate on Utilised Facility Limit (Daily Rest)	Attractive profit rates as follows: (Terms and conditions apply) **Profit Rate*** / **Effective Annual Profit Rate** SBR+_____p.a. / _____% p.a. SBR+_____p.a. / _____% p.a. **Note:** ➢ *Profit rate shall be determined at the point of application.* ➢ *Please visit AffinAlways.com for the latest Standardised Base Rate (SBR).* ➢ *Any special promotion and packages of this product will be communicated to the Customer by the Bank via various channels of communications.* *Profit Calculation:* *Formula = Utilised Facility Amount x Profit Rate x No. Of Days / 365*

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Effective Profit Rate on Unutilised Facility Limit (Daily Rest)	The EPR is one percent (1%) per annum on any unutilised limit which is applicable for the Facility amount above two hundred fifty thousand RM250,000.00. *Profit Calculation:* *Formula = Unutilised Facility Amount x Profit Rate x No. Of Days / 365*
Monthly Instalment	Monthly Installment Calculation: Monthly Installment = Profit Amount on Utilised Facility Limit + Profit Amount on Unutilised Facility Limit
Ceiling Profit Rate (CPR)	12.00% per annum (p.a.)
Illustration	**ITEM** / **DETAILS** (a) Approved Limit — RM 300,000 (b) Utilised Amount — RM 100,000 (from Day 1 to Day 30) (c) EPR on utilized amount — SBR + 1.70% = 4.70% p.a. (d) Unutilised Amount — RM 200,000 (e) EPR on unutilized amount — 1% p.a. **Profit Calculation: -** **(i) Utilised Facility Amount$_{(b)}$ x Profit Rate$_{(c)}$ x No. Of Days / 365** **Daily: 100,000 x 4.70% x 1/365 days = RM 12.87** **Monthly: RM 12.87 x 30 days = RM 386.30 (A)** **(ii) Unutilised Facility Amount$_{(d)}$ x Profit Rate$_{(e)}$ x No. Of Days / 365** **Daily: 200,000 x 1% x 1/365 days = RM 5.47** **Monthly: RM 5.47 x 30 days = RM 164.10 (B)** **(iii) Total Profit Charged for the Month (A+B) = RM 550.40**
Security	Term Deposit-i/Fixed Deposit acceptable with minimum amount of RM 10,000. Note: The above security subject to the terms and conditions set by the bank.

4. What is the Standardised Base Rate (SBR)?

The SBR we offer on this product is based on the benchmark rate specified by Bank Negara Malaysia. The benchmark rate is currently set as the Overnight Policy Rate (OPR), which reflects the monetary policy stance as decided by the Monetary Policy Committee of Bank Negara Malaysia.

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

The SBR can rise or fall due to changes in benchmark rate such as changes in the Overnight Policy Rate (OPR).

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

Please refer to AffinAlways.com for the latest historical data.

Go to PERSONAL > My Loans and Financing > Personal > AFFIN Smart Money-i > Important Information > Consumer Guide on Reference Rate.

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 Effective Profit Rate on Utilised Facility Limit and Effective Profit Rate on Unutilised Facility Limit, which will not exceed the CPR.
- Upon maturity of the Facility period, 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.

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Example:
Facility Limit = RM10,000
Profit Rate = SBR + 1.70% per annum
Tenure = 5 years

	Today's SBR 3.00% p.a.	If SBR increase by 1%	If SBR increase by 2%
Profit Rate (p.a.)	4.70%	5.70%	6.70%
(a) Monthly profit payment for **5** years[1]	RM 39.91	RM 48.41	RM 56.90
(b) Total profit cost at the end of **5** years[2]	RM2,394.60	RM2,904.65	RM3,414.24
(c) Total payment amount at the end of **5** years[3]	RM12,394.60	RM12,904.65	RM13,414.24

The above simulation is calculated based on the following formula:

[1] Facility Limit (Fully Utilize) x Profit Rate x No. of Days i.e.31 / 365
[2] Monthly Profit Payment (a) x Financing Tenure (in months)
[3] Total Profit Cost (b) + Facility Limit

IMPORTANT:
- *All calculations and information above are for illustration purposes only.*
- *Please refer to our website at **AffinAlways.com** on the latest SBR rate.*

- Based on the illustration above, the profit amount shall be raised/lowered with any increase/decrease of the SBR 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, the AITD-i/FD will be uplifted or liquidated with its proceeds will be credited towards adjustment of this financing account. Any shortfall in the account is to be settled by the Customer.

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

Type of Fee/Charge	Details of Fee/Charge
Stamp Duty	As per Stamp Act 1949 (Revised 1989)
Brokerage/Agency Fee	RM5.00 per RM1 million on pro-rate basis.
Excess over limit	The facility account must be operated within the approved facility limit. If the excess over the facility limit is approved, an administrative cost of 1.00% per annum will be charged on the excess amount calculated from the date of the excess drawn until the date of full settlement of the excess amount.
Processing Fees (per application)	No charges
Security document retrieval fee (per request – for complete set of documents)	RM30.00
Restructuring/Rescheduling fee	No charges
Additional financing statement (per request)	RM10.00

Note:
i. Brokerage 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.
iii. As per all other terms and conditions in the Letter of Offer.

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:

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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:

  $$= \text{Overdue profit or installment} \times 1\% \times \frac{\text{no. of days overdue}}{365}$$

- 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):

  $$= \text{Outstanding balance} \times \text{prevailing IIMM} \times \frac{\text{no. of days overdue}}{365}$$

- 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.
- Please refer to other obligations stated in the Letter of Offer.

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

The Bank does not impose a lock-in period for this facility and 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:**

Rebate (*Ibra'*) = **Deferred profit – Reasonable estimated cost incurred by the Bank**

Note:

- *Deferred Profit = Total Contracted Profit – Accrued Profit*
- *Total Contracted Profit = Bank's Sale Price – Bank's Purchase Price*
- *Accrued Profit is calculated on Profit Rate of the outstanding principal being utilised*

11. Do I need a guarantor or collateral?

Yes. The collateral is the AITD-i/FD lien to Affin Islamic Bank/Affin Bank with same value or more than the facility amount.

12. What are the major risks?

The profit rate on this financing is floating and it is pegged to SBR. 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.

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

- It is important that you inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner.
- In accordance with AFFIN Islamic Bank/Affin Bank policy/guidelines and per standard security documents, any change of the contact details must be in writing and duly signed off by the Customer(s) and addressed to Affin Islamic Bank Berhad/Affin Bank Berhad.

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 Business Centre, Jalan SS7/2, 47301 Kelana Jaya, Selangor Darul Ehsan.	Contact No. Operating Hours: 8.45 a.m. – 5.45 p.m. (Monday – Thursday) 8.45 a.m. – 4.45 p.m. (Friday)	03-8230 2828

- 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 AffinAlways.com, that will be escalated to Customer Feedback & Resolution Management. You may also contact us at:

Address: **Customer Feedback & Resolution Management** Level 9, Menara Affin, Lingkaran TRX, Tun Razak Exchange, 55188 Kuala Lumpur.	Contact No. Operating Hours: 8:00 a.m. – 12:00 a.m. (Monday – Sunday)	03-8230 2222
	E-mail	yourvoice@affingroup.com
	Website	https://www.affingroup.com https://www.affinalways.com

- 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 counselling, financial education and debt restructuring for both individuals and Small and Medium Enterprises (SMEs). You can contact AKPK at:

Address: **Agensi Kaunseling dan Pengurusan Kredit (AKPK)** Level 5 and 6, Menara Aras Raya (formerly known as Menara Bumiputra-Commerce) Jalan Raja Laut,City Centre 50350 Kuala Lumpur	AKPK Infoline	03-2616 7766
	Fax No.	03-2616 7601
	Operating Hours	9:00 a.m. – 5:00 p.m. (Monday – Friday)

- If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK or BNMLINK at:

Address: **BNMLINK** Bank Negara Malaysia P.O. Box (Peti Surat 10922) 50929 Kuala Lumpur	Contact No. Operating Hours: 9:00 a.m. – 5:00 p.m. (Monday – Friday)	1-300-88-5465
	Fax No.	03-2174 1515
	eLINK Web Form	https://bnmlink.bnm.gov.my

15. Where can I get further information?

Should you require additional information on the financing product, please visit the nearest Bank's branches or call our Contact Centre number at 03-8230 2222 or visit our website at AffinAlways.com for further details

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IMPORTANT NOTE:

LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DO NOT KEEP UP PAYMENTS ON YOUR CASHLINE FACILITY.

YOUR ACCOUNT MAY BE FORECLOSED IF YOU FAIL TO SERVE THE MONTHLY INSTALMENT PAYMENT FOR YOUR FACILITY ON REGULAR BASIS.

- 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 : _____

SIGNATURE : _____

The information provided in this disclosure sheet is valid as at **22 DECEMBER 2023**

**This PDS to be filled up by the Bank's Sales Personnel*

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