

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 Tawarruq Cash Line-i
1. What is this product about?			
AFFIN Tawarruq Cash Line-i (CL-i) is comparable to overdraft facility of conventional banking. CL-i is a financing granted by the Bank of which, the mode of operation is through a current account, whereby the Customer is authorized to draw on account up to an approved limit.			
Under CL-i facility, the customer may be granted for the following purposes:			
<ul style="list-style-type: none"> Financing against unencumbered property. Enhancement facility against property for existing mortgage customers. Financing of residential properties (completed and under construction) or refinancing (completed) for residential properties. Refinancing of residential properties from other financial institutions with additional excess limit to be used for personal consumption. 			
2. What is the Shariah concept applicable?			
<ul style="list-style-type: none"> <u>Tawarruq</u> The Shariah Concept applied for the above product 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. <u>Wakalah</u> 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. <u>Wa'd</u> 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	Individuals aged 18 years and above.		
Ceiling Profit Rate ("CPR")	It refers to the maximum profit rate chargeable to the Customer throughout the financing tenure. Despite any increase in the Standardised Base Rate (SBR), the profit rate will halt at the specified maximum ceiling rate in the facility agreement. Maximum CPR: 12.00% p.a.		
Margin of Finance ("MOF")	Tawarruq Cash Line-i	Combination of Home Flexi Plus-i and Tawarruq Cash Line-i	Home Flexi Plus-i Cash Line-i
	Up to 85% (inclusive outstanding mortgage financing) and actual MOF will be determined by the Bank based on the type of property, location and payment capacity of the applicant.	Up to 90% of Open Market Value or Sale & Purchase Price, whichever is lower + 5% (Mortgage Reducing Term Takaful (MRTT), legal & documentation cost, stamping fee and valuation fee).	Up to 50% of Open Market Value or Sale & Purchase Price, whichever is lower + 5% (MRTT, legal & documentation cost, stamping fee and valuation fee).
<u>Note:</u> Actual MOF will be determined by the Bank based on the type of property, location and payment capacity of the applicant.			
Financing Tenure	Up to 35 years or up to age of 70 years, whichever is earlier.		
Effective Profit Rate on Utilized Facility Limit	Standardised Base Rate + 1.55% per annum (p.a.). <u>Note:</u> <ul style="list-style-type: none"> Effective 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 channel of communications. Take note that the final Effective Profit Rate shall be communicated to you in the Letter of Offer. <u>Profit Calculation:</u> Formula = Utilized Facility Amount x Profit Rate x $\frac{\text{No. Of Days}}{365}$		

Effective Profit Rate on Unutilized Facility Limit	<p>1% per annum is charged on the unutilized limit which is applicable for Facility amount above RM250,000.00.</p> <p><i>Profit Calculation:</i> <i>Formula = Unutilized Facility Amount x Profit Rate x $\frac{\text{No. Of Days}}{365}$</i></p>
Bank's Selling Price	<p>Bank's Selling Price is calculated based on the following formula:</p> $p * n \div \left[\frac{((1 + r/1200)^n - 1)}{(r/1200) ((1 + r/1200)^n)} \right]$ <p>Where: p = Bank's Purchase Price r = Ceiling Profit Rate n = Number of Financing Tenure (in months)</p>
Lock-in Period	Not applicable.

Note:

The approved amount, tenure and pricing of your Facility is subject to the credit evaluation and approving criteria set-up 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 & Financing > Personal Consumption (Mortgage) > AFFIN Tawarruq Cash Line-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 Utilized Facility Limit and Effective Profit Rate on Unutilized 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.

Example:

Facility Amount (RM)	:	350,000.00
Tenure	:	30 years
Effective Profit Rate on Utilized Facility Amount	:	SBR + 1.55% p.a.
Effective Profit Rate on Unutilized Facility Amount	:	1.00% p.a.
No. of Days of the Month	:	30 days

Obligations:

Utilized Facility Amount (RM)	:	100,000.00
Unutilized Facility Amount (RM)	:	250,000.00

Profit on Utilized Facility Amount (RM)	:	373.97
Profit on Unutilized Facility Amount (RM)	:	205.48
Total Profit Amount (RM)	:	579.45

Your monthly profit and total payment amount will vary if SBR changes.

	Today's SBR 3.00% p.a.	If SBR increase by 1%	If SBR increase by 2%
Monthly Profit	579.45	661.64	743.84

- 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.

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 monthly profit amount shall be raised/lowered with any increase/decrease of the SBR and the changes will be reflected on the next following month.
- At the maturity of the Facility tenure, you shall pay the outstanding balance in full or the Bank may at its consideration, grant an extension to the Facility tenure to facilitate settlement via monthly payment of an agreed amount.

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)
Legal fees pertaining to financing documentations	The Customer is required to pay all legal fees and incidental costs and expenses in connection with the Facility (including but not limited to the preparation, stamping and registration of any security documents and the lodgement and withdrawal of caveats). Security documentation for the financing is to be handled by a solicitor under the Bank's panel. Should a non-panel solicitor be appointed by the Customer, the appointment must comply with the Bank's guidelines on application of a non-panel solicitor and approval is subject to the Bank's discretion. However, to avoid any delay in the documentation process, the appointment of the Bank's panel lawyers is highly encouraged.
Processing Fees	No charges
Redemption statement (per account per request)	RM50.00
Security document retrieval fee (per request – for complete set of documents)	RM30.00
Restructuring/Rescheduling Fees	No Charges
Additional financing statement (per request)	RM10.00
Letter of confirmation for EPF withdrawal	RM20.00
Brokerage Fees	The Brokerage Fee is related to the brokerage cost for each time the Bank performs Tawarruq transaction. The imposition of brokerage fee is as follows: SMEs and Individual – the fee is RM5.00 per RM1.0Mil (pro-rate basis).

Note:

- Brokerage fee is subject to change from time to time as quoted by the commodity provider.
- 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.
- As per all other terms and conditions in the Letter of Offer.

9. What if I fail to fulfill my obligations?

- When the Facility Days Past Due is ninety-one (91) days, the Bank shall revise the Effective Profit Rate in the Letter of Offer to Effective Profit Rate + 0.64% p.a. calculated on the outstanding principal or such other rate or basis of calculation of the rate based on regulatory requirements.
The financing rate will be reverted to the contracted rate when the Days Past Due fall to ninety (90) days and below.
The Bank shall provide a written notice of not less than seven (7) days prior to the effective date of the revised monthly instalment.
- The revised Effective Profit Rate is subject to the Ceiling Effective Profit Rate.
- 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:
 - 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.
 - We may proceed with legal action if you fail to respond to our reminder notices. Your property may be foreclosed. You will have to bear all costs and expenses related to foreclosure. In the event that there is a shortfall between the sale price of the property and the amount in arrears after your property is sold, you are responsible to settle the balance (if any).
 - 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 amount 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 (IIMM) Rate on outstanding balance 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 Bank's 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:

$$\text{Rebate (Ibra')} = \text{Deferred profit} - \text{Reasonable estimated cost incurred by the Bank}$$

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 any Takaful coverage?

- Mortgage Level Term Takaful (MLTT) is optional but highly encouraged.**
In the event of death and total permanent disability, the Takaful will pay off all outstanding amount of your financing with the Bank. This will alleviate the burden of payment on your survivors or next of kin.
- Compulsory Fire Takaful.**
The Bank may provide quotations to you for any compulsory fire takaful offered by the Bank's own panel of takaful operator. However, you are free to use the service of other takaful operator.

12. What are the major risks?

The Effective Profit Rate on this financing is floating and it is pegged to SBR. The Effective Profit Rate may change according to changes in the reference rates. An increase in the Effective 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.

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's policy/guidelines and per standard security documents, any change of contact details must be in writing and duly signed off by the Customer(s) and addressed to Affin Islamic 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:

<u>Address:</u> AFFIN BANK BERHAD Asset Quality Management Department 401 & 501, Block C, Kelana Business Centre, Jalan SS7/2, 47301 Kelana Jaya, Selangor Darul Ehsan.	<u>Contact No.</u> 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:

<u>Address:</u> Customer Feedback & Resolution Management Level 9, Menara Affin, Lingkaran TRX, Tun Razak Exchange, 55188 Kuala Lumpur.	<u>Contact No.</u> 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:

<u>Address:</u> 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 10922 (Peti Surat 10922) 50929 Kuala Lumpur	Contact No.	1-300-88-5465
	Operating Hours: 9:00 a.m. – 5:00 p.m. (Monday – Friday)	
	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.

16. Other property financing available

- AFFIN Home Invest-i
- AFFIN Business Premises Invest-i
- AFFIN Home Build-i
- AFFIN Skim Rumah Pertamaku-i
- AFFIN Tawarruq Home Financing-i
- AFFIN Tawarruq Home Refinancing-i
- AFFIN Tawarruq BP Financing-i
- AFFIN Tawarruq Business Premises Refinancing-i
- AFFIN Tawarruq Term Financing-i
- AFFIN Extra Plus-i
- AFFIN Credit Plus-i
- AFFIN Advance-i
- AFFIN Home Flexi Plus-i

IMPORTANT NOTE:

YOUR PROPERTY MAY BE FORECLOSED IF YOU DO NOT KEEP UP PAYMENTS ON YOUR FINANCING AND YOU WILL HAVE TO BEAR ALL COSTS AND EXPENSES INCURRED BY THE BANK IN RELATION TO THE BANK'S FORECLOSURE ACTION.

- 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 : _____

DATE : _____

The information provided in this disclosure sheet is valid as at **1 OCTOBER 2024**