

PRODUCT DISCLOSURE SHEET (PDS)

(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).

ENGLISH VERSION

Bank : Affin Islamic Bank Berhad
Product : Hire Purchase-i (HP-i) Under Al Ijarah Thumma Al Bai (AITAB)

Date of issuance to Customer:

1. What is this product about?

This is a financing facility to help you finance your vehicle acquisition by monthly installments. The ownership of the vehicle will only be transferred to you upon settlement of the financing facility.

2. What is the Shariah concept applicable?

- AFFIN ISLAMIC Hire Purchase-i is a vehicle financing facility based on the Shariah concept of Al Ijarah Thumma Al Bai ("AITAB").
- There are two contracts involved in this concept. The first contract is a leasing contract and the second contract is a sales contract. The contracts are undertaken one after the other.
- Under the Al-Ijarah contract, the hirer (customer) hires the vehicle from the owner (the Bank) at an agreed rental over a specified period. The hirer enters into a leasing contract for the vehicle with the owner at an agreed price. During the hiring period, the Bank owns the vehicle.
- Upon settlement of the rentals, a sales contract will be executed for the sale of the vehicle from the Bank to the hirer.

3. What are the features of this product?

The features are as follows: -

Eligibility	<ul style="list-style-type: none"> Individual aged 18 years and above Malaysian and Permanent residents Sole-proprietor/Partnership Private Limited/ Public Listed company
Term Charges	_____ % (Flat Rate)
Financing Amount	RM _____
Margin of Financing (% of Invoiced Price)	
Financing Tenure	
Annual Percentage Rate (%)	

Note:

The approved financing amount and tenure of your AFFIN ISLAMIC Hire Purchase-i facility is subject to your credit evaluation and the Bank's approving criteria.

4. What are my obligations?

Monthly Instalments (RM)	
Total Amount Payable (RM)	

Please ensure that you pay your monthly instalments in a timely manner.

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

Type of Fees/Charges	Details of Fees/Charges
Letter of consent for loss of registration card/ change of vehicle registration number and/or engine number	RM 50.00
Transfer Service charge (where the Bank's ownership claim needs to be endorsed)	RM20.00
Redemption of Hire Purchase-i (HP-i) accounts	RM 50.00
Postage	RM 1.00 for normal mail RM 5.00 for registered mail
Photocopy of security documents (used/reconditioned cars)	RM10.00
Other Charges	For other fees and charges applicable to this product, please visit AffinAlways.com → Fees & Charges

Note:

- i. We will notify you with a minimum notice of twenty-one (21) calendar days prior to any effective change in fees and charges that are applicable to your financing facility.
- ii. As per all other terms and conditions in the leasing and sales contracts.

6. What if I fail to fulfill my obligations?

- If you have difficulty meeting your financing obligations, please 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 account maintained with us against any outstanding balance in this financing facility.
 - ii. We may proceed with legal action if you fail to respond to our reminder notices. The vehicle may be repossessed and auctioned. You will bear all costs related to the repossession and auction. If there is still an outstanding in your financing facility after the sale of the vehicle, you are responsible to settle the balance outstanding.
 - iii. Legal action against you may affect your credit rating leading to credit being more difficult or expensive to you.
- **Compensation Charges (*Ta'widh*)**
 - i. You will incur compensation charges in the following scenarios:

Before the maturity of your financing facility:

A sum equivalent to one percent (1%) per annum on overdue installment(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 your financing facility:

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

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

- ii. It shall commence from the date when payment had first defaulted to the date of actual payment even when the financing facility is terminated for any reason.
- iii. The Compensation Charges at the above rate shall be payable by you before and after any judgment or order of the court.
- iv. Compensation charges are not computed on compounding basis.
- v. Please refer to other obligations stated in the leasing and sales contracts.

7. What if I fully settle the financing before its maturity?

- There is no fee imposed for early settlement before the maturity of your financing tenure.
- You will be given an *ibra'* (rebate) on the unearned profit of your financing as stated in the Hire Purchase Act 1967. The *ibra'* (rebate) computation is:

$$\text{Statutory Rebate} = \text{Term Charges} \times \frac{n(n+1)}{N(N+1)}$$

- Where "n" represents the remaining financing tenure in months (e.g. 12 months) and "N" represents the original financing tenure in months (e.g. 60 months).
- The net balance due is the outstanding amount financed and terms charges accrued and calculated up to the next due date of payment.

8. Do I need a guarantor or collateral?

- Guarantor is required.

Note:

The requirement of guarantor subject to the credit evaluation set by the Bank.

9. Do I need any Takaful coverage?

- It is mandatory under the Hire Purchase Act 1967 to have a comprehensive takaful/insurance coverage for the duration of your financing tenure. You must inform us of the renewal of the takaful/insurance policy within fourteen (14) days before its expiry.
- You are encouraged to take our takaful/assurance policy that covers you against unforeseen death or total permanent disability as it will pay off the outstanding financing based on a table of benefits, which you may further enquire about with us.

Note:

"In line with the provisions of the Hire Purchase Act 1967 and the BNM's Shariah Advisory Council resolutions on AITAB financing, your rented vehicle is required to be protected under a Takaful scheme. However, if you opt to insure the rented vehicle under any conventional insurance, you shall be liable to pay the relevant insurance premium and the insurance premium paid shall form part of the deposit paid by you to the car dealer/seller as the case may be.

10. What are the major risks?

- The term charges on this financing facility is fixed rate.

Note:

If you have difficulty fulfilling your financing obligations, please contact us to discuss payment alternatives.

11. 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.
- Pursuant to the Affin Islamic Bank policy/guidelines and the leasing and sales contracts, any change in your contact details must be communicated and addressed to the Bank in writing.

12. 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 401 & 501, Block C, Kelana Business Centre, Jalan SS7/2, 47301 Kelana Jaya, Selangor Darul Ehsan	Contact No Operating Hours: 8.45a.m. – 5.45 p.m. (Monday – Thursday) 8.45 a.m. – 4.45 p.m. (Friday)	03-8230 2828
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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 the Bank’s website: 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 the BNM to provide free services on money management, credit counselling, financial education and debt restructuring for individuals. 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 03-2616 7601
	Operating Hours 9:00 am – 5:00 pm (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. Operating Hours: 9:00 a.m. – 5:00 p.m. (Monday – Friday)	1-300-88-5465
	Fax	03-2174 1515
	eLINK Web Form	https://bnmlink.bnm.gov.my

13. Where can I get further information?

If you require additional information on this product, please visit our nearest branch or call us at our Contact Centre at 03-8230 2222 or visit our website at AffinAlways.com for further details.

IMPORTANT NOTE:
LEGAL ACTION MAY BE TAKEN IF YOU DO NOT KEEP UP PAYMENTS ON YOUR FINANCING.

- I/We hereby acknowledge that the key terms of this product in this Product Disclosure Sheet particularly 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 Product Disclosure Sheet is valid as at **5 JUNE 2024**