

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 : **AFFIN ISLAMIC Personal Financing-i**

Date of Issuance to Customer :

_____ (to be filled out upon application)

1. What is this product about?

AFFIN ISLAMIC Personal Financing-i is an unsecured term financing to meet personal financial needs which do not contravene with the Shariah principles and offered either under fixed or variable rates.

2. What is the Shariah concept applicable?

- Tawarruq**
 The Shariah Concept applied for AFFIN ISLAMIC Personal Financing-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	<ul style="list-style-type: none"> Salaried Customers including Special Financing Programme; Pensioners under the Government Pension Scheme A only (pension payment credited into pensioner's bank account). It is also applicable to widow/widower of the pensioner who received Pension Derivatives with minimum entry age of 21 years old; Government servants. 																							
Financing Amount	RM _____ <table border="1"> <thead> <tr> <th>Product</th> <th>Minimum Amount</th> <th>Maximum Amount</th> </tr> </thead> <tbody> <tr> <td>Personal Financing-i (Private)</td> <td>RM 2,500</td> <td>RM 150,000</td> </tr> <tr> <td>Pensioner</td> <td>RM 5,000</td> <td>RM 150,000</td> </tr> <tr> <td>Government Servant</td> <td>RM 2,500</td> <td>RM 250,000</td> </tr> </tbody> </table>	Product	Minimum Amount	Maximum Amount	Personal Financing-i (Private)	RM 2,500	RM 150,000	Pensioner	RM 5,000	RM 150,000	Government Servant	RM 2,500	RM 250,000											
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Financing Tenure	_____ YEARS <ul style="list-style-type: none"> Minimum: 2 years Maximum: 10 years or until the age of 60 years, whichever is earlier. Maximum (Pensioners): 10 years or until the age of 70 years, whichever is earlier. 																							
Profit Rate	<table border="1"> <thead> <tr> <th>Package</th> <th>Rate</th> <th>With Takaful (p.a.)</th> <th>Without Takaful (p.a.)</th> <th>Effective Annual Profit Rate</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Special Financing Programme</td> <td><input type="checkbox"/> Fixed</td> <td>_____ %</td> <td>_____ %</td> <td>_____ %</td> </tr> <tr> <td><input type="checkbox"/> Variable</td> <td>SBR + _____ %</td> <td>SBR + _____ %</td> <td>_____ %</td> </tr> <tr> <td rowspan="2">Salaried Customer</td> <td><input type="checkbox"/> Fixed</td> <td>_____ %</td> <td>_____ %</td> <td>_____ %</td> </tr> <tr> <td><input type="checkbox"/> Variable</td> <td>SBR + _____ %</td> <td>SBR + _____ %</td> <td>_____ %</td> </tr> </tbody> </table>	Package	Rate	With Takaful (p.a.)	Without Takaful (p.a.)	Effective Annual Profit Rate	Special Financing Programme	<input type="checkbox"/> Fixed	_____ %	_____ %	_____ %	<input type="checkbox"/> Variable	SBR + _____ %	SBR + _____ %	_____ %	Salaried Customer	<input type="checkbox"/> Fixed	_____ %	_____ %	_____ %	<input type="checkbox"/> Variable	SBR + _____ %	SBR + _____ %	_____ %
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		<input type="checkbox"/> Fixed	_____ %	_____ %	_____ %						
<p>Note:</p> <ul style="list-style-type: none"> Profit rate shall be determined at the point of application. Please visit www.affinalways.com for the latest Standardised Base Rate(SBR) (applicable to variable rate financing only). Special Financing Programme refers to AFFIN ISLAMIC Personal Financing-i Package offered to the selected companies' staff or customers. 											
Bank's Sales Price	<p><input type="checkbox"/> Fixed Rate: Bank's Purchase Price + (Bank's Purchase Price x Profit Rate x Financing Tenure (years))</p> <p><input type="checkbox"/> Variable Rate:</p> $p * n \div \left[\frac{((1 + r/1200)^n) - 1}{(r/1200) ((1 + r/1200)^n)} \right]$ <ul style="list-style-type: none"> p = Bank's Purchase Price r = Ceiling Profit Rate n = Number of Financing Tenure (in months) 										
Ceiling Profit Rate (applicable to variable rate financing only)	<table border="1"> <thead> <tr> <th>Product</th> <th>Ceiling Rate</th> </tr> </thead> <tbody> <tr> <td>Personal Financing-i (Private)</td> <td>15.00% setahun</td> </tr> <tr> <td>Government Servant & Pensioner</td> <td>12.00% setahun</td> </tr> </tbody> </table>					Product	Ceiling Rate	Personal Financing-i (Private)	15.00% setahun	Government Servant & Pensioner	12.00% setahun
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Note:

The approved amount and tenure 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)? – (applicable to Variable Rate financing only)

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? – (applicable to Variable Rate financing only)

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 – (applicable to Variable Rate financing only)

Please refer to www.affinalways.com for the latest historical data.
(Go to PERSONAL > My Loans and Financing > Personal > AFFIN ISLAMIC Personal Financing-i > Important Information > Consumer Guide on Reference Rate.

7. What are my obligations?

- You are required to serve all monthly instalment as per agreed mode of payment stated in the Application Form Together with Letter of Offer or any other notice, upon disbursement being made until full settlement of the financing account.
- In the event where the salary deduction made by the employer/automated fund transfer from the salary account maintain with the Bank has not yet commenced, you are responsible to pay the monthly instalment in a timely manner and shall be paid as specified in the Application Form Together with Letter of Offer.
- Important:** Your monthly instalment and total payment amount will vary subject to Standardised Base Rate(SBR) changes (applicable to Variable Rate financing only):

	Today's SBR _____ % p.a.	If SBR increase by 1%	If SBR increase by 2%
Monthly Installment for _____ years			
Total profit cost at the end of _____ years			
Total payment amount at the end of _____ years			

IMPORTANT:

- All calculations and information above are for illustration purpose only.
 - Please refer to our website at www.affinalways.com on the latest SBR rate.
- Based on the illustration above, the monthly payment (instalment) amount shall be raised/lowered with any increase/decrease of the SBR. You may submit a written request to the Bank and the Bank may at its consideration to maintain the same monthly payment in spite of any increase to the SBR, provided always that the same is sufficient to service the monthly profit. The difference in the monthly payment shall then be accumulated to the end of the financing tenure.
 - At the maturity of the financing facility, you shall pay the outstanding balance in full or the Bank may at its consideration, grant an extension to the financing tenure to facilitate settlement via monthly payment of an agreed amount. If the financing tenure accorded is extended beyond the retirement age, you remain obliged to pay the monthly payment. However, you may opt at any time to fully settle the financing facility upon reaching retirement age.

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

Type of Fee / Charge	Details of Fee / Charge
Stamp Duty	As per Stamp Act 1949 (Revised 1989)
Processing Fees (per application)	No charges
Brokerage Fee	Brokerage Fee is the fee charged each time the Bank performs the Tawarruq transaction. The imposition of Brokerage fee is at RM5.00 per RM1.0 million on pro-rate basis. <u>Example:</u> For financing amount at RM10,000, the Brokerage Fee shall be as follows:- = RM10,000 X RM5.00/RM1,000,000 = RM0.05
Security document retrieval fee (per request – for complete set of documents)	RM30.00
Commodity Delivery Charges	Actual Cost to be borne by customer
Additional Financing Statement: (for any request on reissuance of financing statement in addition to the financing statement issued to the customer)	RM10.00 per request

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 General Terms and Conditions.

9. What if I fail to fulfil my obligations?

- Should you fail to service your payment obligation in a timely manner, the following compensation charges (*Ta'widh*) shall apply:-
 - Before maturity of the Facility**

A sum equivalent to one per cent (1%) per annum on overdue installment(s) until date of full payment:

$$= \text{Overdue Profit/Installment} \times 1\% \times \frac{\text{no. of days overdue}}{365}$$

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 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 charge 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.
- If you have problems meeting your financing obligation, contact us early to discuss payment alternatives. Delay on your part could lead to the following consequences:
 - We may set-off any credit balance in account maintained with us against any outstanding balance in this Facility account which we will notify you at least seven (7) calendar days in advance.
 - Legal action will be taken if you fail to respond to reminder notices. You will have to bear all costs and responsible to settle any shortfall after legal action has been taken against you.
 - Legal action against you may affect your credit rating leading to credit being more difficult or expensive to you.
- As per all other terms and conditions in the General Terms and Conditions.

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.
- Rebate (*ibra'*) 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 based on Profit Rate of the outstanding principal being utilised*

11. Do I need a guarantor or collateral?

- No guarantor or collateral is required.
- However, you will need to provide security deposit or advance payment (if required by the Bank) where, it shall be deducted from the approved financing amount.
- The amount will be set-off against any arrears when default of payment occurs.

12. Do I need any Takaful coverage?

- Group Credit Term Takaful (**GCFT**) plan is highly encouraged. The single contribution is deductible from the approved financing amount upon disbursement.
- In the event of death or 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.

Note:

The Bank may provide quotations to you for any Takaful offered by the Bank's own panel of Takaful operator. However, you are free to use the service of other Takaful provider.

13. What are the major risks?
For Fixed Rate Financing:

The payment of Bank's Sale Price is by way of periodic instalment. Since the profit rate is fixed upfront, any changes to the SBR will not impact your monthly instalment.

For Variable Rate Financing:

The profit rate on this financing is floating and it is pegged to SBR. An increase in profit rate may result in higher monthly payment/extension of financing tenure.

Note:

If you have problems to fulfill your financing obligations, please contact and discuss with us.

14. What do I need to do if there are changes in 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 of Affin Islamic Bank's policy/guidelines and per standard security documents, any change of contact details has to be in writing duly signed off by the customer(s) and addressed to Affin Islamic Bank Berhad.

15. Where can I get assistance and redress?

- If you have difficulties in making payments, you should contact us earliest possible to discuss payment alternatives at:

<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
	<u>Fax No.</u>	03-7947 5400 03-7947 5540

- 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 on the Bank's website at www.affinalways.com that will be escalated to Customer Care & Quality. You may also contact us at:

<u>Address:</u> Customer Care & Quality 17 th Floor, Menara Affin, 80, Jalan Raja Chulan, 50200 Kuala Lumpur.	<u>Contact Centre</u> Operating Hours: 8:00 a.m. – 12:00 a.m. (Monday – Sunday)	03-8230 2222
	<u>Customer Careline</u> Operating Hours: 8:45 a.m. – 5:45 p.m. (Monday – Thursday) 8:45 a.m. – 4:45 p.m. (Friday)	1-800-88-3883
	<u>Fax No.</u>	03-2026 1104
	<u>E-mail</u>	yourvoice@affinbank.com.my
	<u>Website</u>	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 counseling, 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 Bumiputra-Commerce, Jalan Raja Laut, 50350 Kuala Lumpur.	AKPK Infoline	03-2616 7766
	<u>Fax No.</u>	03-2616 7601
	<u>E-mail</u>	enquiry@akpk.org.my
	<u>Operating Hours</u>	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 TELELINK at:

Address: BNMLINK (Laman Informasi Nasihat dan Khidmat) Bank Negara Malaysia, Blok D, Jalan Dato' Onn, 50480 Kuala Lumpur.	Contact No.	1-300-88-5465 (1-300-88-LINK)
	Operating Hours: 9:00 a.m. – 5:00 p.m. (Monday – Friday)	+603-2174 1717 (overseas)
	Fax No.	03-2174 1515
	E-mail	bnmtelelink@bnm.gov.my
	eLINK Web Form	https://telelink.bnm.gov.my

16. Where can I get further information?

Should you require additional information on financing, please visit our nearest AFFIN ISLAMIC/AFFIN BANK branch or call our Contact Centre number at 03-8230 2222 or visit our website at www.affinalways.com for further details.

17. Other financing packages available

- AFFIN Education Financing-i

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 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 : _____

The information provided in this disclosure sheet is valid as at **1 AUGUST 2022**

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