

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 obtain further clarification with the Bank's staff, representative or agent before signing below).	ENGLISH VERSION Bank : Affin Islamic Bank Berhad Product : AFFIN Vehicle Financing-i (Variable Rate) ("VF-i VR") 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?	
<ul style="list-style-type: none"> AFFIN Vehicle Financing-i (Variable Rate) ("VF-i VR") 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 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.	
4. What are the 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).	
5. Historical benchmark Cost of Fund (COF) for the past three (3) years:	
Please refer to AffinAlways.com for the latest historical data. Go to PERSONAL > My Loans & Financing > Auto > AFFIN ISLAMIC Vehicle Financing-I > Important Information > Consumer Guide on Reference Rate.	
6. What are the features of this product?	
The features are: -	
Eligibility	<ul style="list-style-type: none"> Individual aged 18 years and above Malaysian and Permanent residents Sole-proprietor (For personal use only)
Term Charges	SBR + _____ %
Financing Amount	RM _____

Financing Tenure	Number of years or months financing offers Passenger Vehicles: -		
	Age of Vehicle	Margin of Financing	Financing Tenure
	New	Up to 90%	Up to 9 years
	1-5 years	Up to 85%	Up to 9 years
	6-8 years	Up to 75%	Up to 7 years
Ceiling Rate	12.00% per annum		

Note:

- The approved financing amount and tenure of your AFFIN Vehicle Financing-i (Variable Rate) facility is subject to credit evaluation and the Bank's approving criteria.
- For facilities pegged to SBR, the Effective Profit Rate is subject to a minimum rate of 1.00% p.a. or such other minimum rate as may be prescribed by the Bank from time to time with twenty-one (21) calendar days of prior notification to the Hirer.

7. What are my obligations?

- You are required to pay all monthly instalment per the agreed schedule of payment stated in the leasing contract or any subsequent notice upon disbursement of your financing amount until full settlement of the rentals.
- Important:** Your monthly instalment and total payment amount will vary subject to the SBR changes:

Year	1st Year (Start)	3rd Year	5th Year
No. of Instalment paid	0 months	24 months	48 months
No. of Remaining Instalment	108 months	84 months	60 Months
Standardised Base Rate + Spread	3.00% + 1.25% = 4.25%	If SBR goes up 1%; 4.00% + 1.25% = 5.25%	If SBR goes up 2%; 6.00% + 1.25% = 7.25%
Principal Balance	RM100,000.00	RM80,948.98	RM60,210.94
Monthly Instalment	RM1,116.00	RM1,154.00	RM1,200.00
Final Instalment	RM1,104.10	RM1,125.34	RM1,161.81
Total profit cost	RM20,516.10	RM15,958.36	RM11,750.87
Total amount payable	RM120,516.10	RM96,907.34	RM71,961.81

IMPORTANT:

Please refer to our website at AffinAlways.com > Others > Rates and Pricing > Conventional > Loans and Financing Rates on the latest SBR rate.

All calculations and information above are for illustration purposes only.

Note:

Based on the illustration above, the monthly instalment amount shall rise / fall with any increase / decrease of the SBR. You may request the Bank to maintain your monthly instalment amount and vary the number of instalments in spite of any increase to the SBR, provided always that the same monthly instalment amount is sufficient to service the monthly term charges. The difference in the monthly instalment amount shall then be accumulated to the end of the financing tenure.

8. 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 VF-i VR accounts	RM50.00
Postage charges	RM 1.00 for normal mail RM 5.00 for registered mail
Photocopy of security documents (used/reconditioned cars)	RM10.00
Other fees / Charges	For other fees and charges applicable to this product, please visit AffinAlways.com > Others > Fee & 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.

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

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

- You will be imposed a fee for early settlement except where you settle within one month from the maturity date.
- You will be given ibra' rebate on the remaining unearned profit of your financing as stated in the Hire Purchase Act 1967. The ibra' (rebate) computation is:
- Ibra' (rebate) = *Remaining Unearned Term Charges – reasonable estimated cost as may be determined by the Bank (if any).

*Remaining Unearned Term Charges is equal to unrealized term charges at the time of full settlement. The calculation of Ibra' (rebate) will be made in accordance with any rules, regulations and/ or directives of BNM or any other authorities having jurisdiction over the Bank.

Note:

Other costs / expenses may include postage charges, repossession charges, storage, legal fees etc. (where applicable).

11. Do I need a guarantor or collateral?

- Guarantor is required

Note:

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

12. 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 on 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.

13. What are the major risks?

- The term charges on this financing facility is floating and it is pegged to SBR. An increase in term charges may result in higher monthly instalment payment or extension of your financing tenure.

Note:

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

14. 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 Bank's policy/guidelines and the leasing and sales contracts, any change in your contact details must be communicated and addressed to the Bank in writing.

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.

<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> Operation Hours 8:45 a.m. – 5:45 p.m. (Monday-Friday) 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:

<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
	<u>E-mail</u>	yourvoice@affingroup.com
	<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 the BNM to provide free services on money management, credit counselling, financial education and debt restructuring for individuals. 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:

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

16. Where can I get further information?

If you require additional information on this product, please visit our nearest branches 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 **16 JANUARY 2024**