

PRODUCT DISCLOSURE SHEET (PDS)		ENGLISH VERSION	
Kindly read this Product Disclosure Sheet together with the Generic and Specific Terms & Conditions Applicable for All Islamic Deposit Accounts / Products / Services and Specific Terms & Conditions Applicable for AFFIN Term Investment Account-i before you apply and decide to subscribe AFFIN Term Investment Account-i (AFFIN TIA-i).		Bank : AFFIN Islamic Bank Berhad Product : AFFIN Term Investment Account-i (AFFIN TIA-i)  Not protected by Perbadanan Insurans Deposit Malaysia (PIDM)	
IMPORTANT / DISCLAIMER			
THIS IS AN INVESTMENT ACCOUNT PRODUCT THAT IS TIED TO THE PERFORMANCE OF THE UNDERLYING ASSETS AND IS NOT A DEPOSIT PRODUCT.			
1. WHAT IS THIS PRODUCT ABOUT?			
Applicable Shariah Contract	This product is based on Shariah principles of <i>Mudarabah</i> , under the category of <i>Mudarabah Mutlaqah (Unrestricted Mudarabah)</i> . <ul style="list-style-type: none"><li>Mudarabah is a contract where the Customer (also known as the “Rabbul Mal” or “Investor”) appoints the Bank (also known as the “Mudarib” or “Entrepreneur”) for the fund which has been deposited or will be deposited by the Customer for investment or for other Shariah compliant activities.</li><li>The profits from the investment in Shariah compliant activities will be shared between the Bank and the Customer according to the agreed profit-sharing ratio (“PSR”).</li><li>If there are losses from the investment, then these are to be borne by the Customer except in cases where there is direct evidence of misconduct, negligence, or breach of specified terms by the Bank in managing the funds.</li><li>An Unrestricted Mudarabah in which the <i>Rabbul Mal</i> (Customer/Investor) provides the Bank with the mandate to make the ultimate investment decision without specifying any particular restrictions or conditions.</li></ul>		
Type of Product	AFFIN TIA-i is an unrestrictive investment account with a specific investment amount and tenure where the Investor provides the Bank with the mandate to make the ultimate investment decision without specifying any particular restrictions or conditions.		
Parties Involved in the Investment Activities, Roles and Responsibilities	Parties involved in this investment are the Customer as the Investor ( <i>Rabbul Mal</i> ) and the Bank as the entrepreneur ( <i>Mudarib</i> ), where: <ul style="list-style-type: none"><li>The Customer will invest their money in AFFIN TIA-i (“Investment Fund”).</li><li>The Investment Fund is then invested by the Bank into the pool of Shariah compliant personal financing portfolio of the Bank (Investment Asset).</li><li>The profit generated from the investment is to be distributed to the Customer and the Bank based on an agreed PSR.</li><li>The financial losses associated with the investment (if any) are to be borne by the Customer whilst the Bank may suffer losses in term of costs and time.</li><li>The bank does not charge any brokerage fee.</li></ul>		
2. WHO IS THIS PRODUCT SUITABLE FOR?			
Type of Investor	AFFIN TIA-i product suits the following type of Customer that able to take a low to moderate risk on the investment as the return of this account will be solely based on the performance of investment asset: <ul style="list-style-type: none"><li>Individual investor</li><li>Corporate investor, including SMEs and Institutions</li></ul>		
Eligibility	<ul style="list-style-type: none"><li>Individuals (including Joint Account) – Aged 18 years old and above</li><li>Non-Individual Customer</li></ul>		
Holding Period for Investment	<ul style="list-style-type: none"><li>Redemption shall be upon maturity of the investment.</li><li>Pre-mature withdrawal is allowed with the below conditions(s);<ul style="list-style-type: none"><li>No profit will be paid for any AFFIN TIA-i that has not completed its respective investment tenure.</li><li>Upon premature withdrawal, the investment account will be terminated/closed.</li></ul></li><li>Partial withdrawal of the Investment Amount is not allowed.</li></ul>		
Principal Protection/ Guarantee	<ul style="list-style-type: none"><li>Principal is not guaranteed by the Bank</li><li>This account is classified under “Investment” product based on the Mudarabah contract which is not principally guaranteed, and the return or profit (if any) will be based on investment activities.</li></ul>		
3. WHAT AM I INVESTING IN?			
Investment Objective	<ul style="list-style-type: none"><li>To provide stable returns through low to moderate risk investments.</li></ul>		
Investment Strategy	<ul style="list-style-type: none"><li>The Investment Fund will be invested by the Bank into the pool of Shariah compliant personal financing portfolio of the Bank (Investment Asset).</li><li>The Bank reserves the right to change the Investment Asset financing accounts allocation at any time when necessary to preserve the Investment Fund.</li></ul>		
Currency	Ringgit Malaysia (RM)		
Minimum Investment Placement Amount	RM500.00		

<b>Investment Tenure</b>	Customers can choose either 1, 3, 6, 9 or 12 months.					
<b>Profit Sharing Ratio (PSR)</b>	Prevailing PSR					
	<b>Investment Tenure</b>	1 Month	3 Months	6 Months	9 Months	12 Months
	<b>PSR (Investor(s) : Bank)</b>	43 : 57	48 : 52	49 : 51	50 : 50	50 : 50
<b>Indicative Net Profit Rate (p.a.)</b>	Prevailing Indicative Rate					
	<b>Investment Tenure</b>	1 Month	3 Months	6 Months	9 Months	12 Months
	<b>Indicative Net Profit Rate</b>	2.19%	2.44%	2.50%	2.55%	2.55%
<b>Sample Profit Calculation</b>	<b>Note:</b>					
	<ul style="list-style-type: none"> <li>The Indicative Net Profit Rate is only regarded as a reference of the expected return that will be received. Any past performance is not indicative of future performance and likewise, a projection of future performance does not guarantee actual performance.</li> <li>If the Actual Profit exceeds the Indicative Profit, the Investor agrees to waive the excess profit and the excess amount shall be paid to the Bank.</li> </ul>					
	<b>Example</b>					
	<b>Investment Amount</b>	<b>Investment Tenure</b>	<b>Placement Date</b>	<b>Maturity Date</b>	<b>PSR</b>	<b>Gross Profit Rate</b>
	RM100,000.00	12 Months	2 November 2024	2 November 2025	50:50	5.09%
	<b>Profit Calculation Formula:</b> (Investment Amount) x (Gross Rate) x (PSR) x (No. of Days/365) = Profit <b>Customer's Profit</b> : RM100,000 x 5.09% x 50% x 365/365 = <b>RM2,544.99</b>					
<b>Profit Payment Method</b>	<ul style="list-style-type: none"> <li>Profit (if any) will be paid upon maturity of the investment.</li> <li>Profit (if any) will be credited into the Customer CASA-i/CASA.</li> <li>The Customer has the option to reinvest the profit upon maturity of the Investment.</li> </ul>					
<b>Opening of Account</b>	<ul style="list-style-type: none"> <li>Individual Customer : Over the Counter and via AFFIN Retail Internet Banking at AffinAlways.com.</li> <li>Non Individual Customer : Over the Counter</li> </ul>					
<b>Reinvestment</b>	<ul style="list-style-type: none"> <li>The Customer has the option to automatically reinvest the Investment upon maturity as follows:               <ul style="list-style-type: none"> <li><b>reinvest on the principal amount only:</b> the principal will be reinvested back into the Investment at the Bank's prevailing PSR for the same Investment tenure. Any profit will be credited into the Investor's CASA-i/CASA; or</li> <li><b>reinvest on the principal and profit:</b> the principal and any profit will be reinvested back into the Investment at the Bank's prevailing PSR for the same Investment tenure.</li> </ul> </li> <li>If the Investor choose not to automatically renew the Investment, the principal amount and any profit will be credited into the Customer's CASA-i/CASA.</li> </ul>					
<b>Closing of Account/Redemption</b>	<ul style="list-style-type: none"> <li>For AFFIN TIA-i placement Over-the-Counter The closing and redemption of funds can be made over-the-counter.</li> <li>For AFFIN TIA-i placement Retail Internet Banking The closing and redemption of funds can be made via AFFIN Retail Internet Banking at AffinAlways.com.</li> </ul>					

#### 4. WHAT ARE THE POSSIBLE OUTCOMES OF INVESTMENT?

- Customer may potentially gain higher profit from the positive performance of the Investment Asset.
- The principal and returns of the investment are not guaranteed in the event the Investment Asset incurs losses or does not perform as expected.
- Financial losses shall be borne by the Customer provided that such negative returns or financial losses are not due to the Bank's misconduct, negligence, or breach of specified terms.

**"Past performance of the investment is not an indication of its future performance"**

- a) Based on the historical performance of the Personal Financing-i (PF-i), Investor would have received the returns as illustrated below based on the given PSR.

Financial Year End	Return on Asset (ROA)
2021	2.88%
2022	2.60%
2023	2.04%
2024	1.73%

#### ILLUSTRATION OF INVESTMENT GAIN

PF-i funded by AFFIN TIA-i	Financing Profit	Writeback/Impairment/ Provision	Total Profit/Loss	PSR (Investor:Bank)	Return to Investor
600,000,000	40,000,000	1,600,000	38,400,000	43 : 57	2.19% p.a.

Investment Amount	RM100,000
Effective Date – Maturity Date	1/10/2024 – 1/11/2024
Tenure/No. of Days	1 month/30 days
PSR (Investor:Bank)	43 : 57
Gross Rate	<b>5.09% p.a.</b>
Profit to Investor	$RM100,000 \times (5.09\% \times 43\%) \times 30/365 = \text{RM179.89}$
Investment Amount & Profit on Maturity Date	$RM100,000 + RM179.89 = \text{RM100,179.89}$

#### ILLUSTRATION OF INVESTMENT LOSS

PF-i funded by AFFIN TIA-i	Financing Profit	Writeback/Impairment/ Provision	Total Profit/Loss	PSR (Investor:Bank)	Return to Investor
600,000,000	40,000,000	42,000,000	(2,000,000)	43 : 57	(1.20%) p.a.

Investment Amount	RM100,000
Effective Date – Maturity Date	1/10/2024 – 1/11/2024
Tenure/No. of Days	1 month/30 days
PSR (Investor:Bank)	43 : 57
Gross Rate	(1.20%) p.a.
Profit to Investor	$RM100,000 \times [(1.20\%) \times 100\%] \times 30/365 = (\text{RM98.63})$
Investment Amount & Return on Maturity Date	$RM100,000 - RM98.63 = \text{RM99,901.37}$

b) Possible future gain and loss

#### Overnight Policy Rate (OPR)

Highest : 3.25%

Lowest : 1.75%

Moderate : 2.50% (Average number between the highest and lowest OPR)

Table 1: Best Market Condition		
Assumption Gross Rate	PSR (Investor:Bank)	Return to Investor
6.70% p.a. (SBR 3.25% + 3.45%)	50 : 50	3.35% p.a.

Table 2: Flat Market Condition		
Assumption Gross Rate	PSR (Investor:Bank)	Return to Investor
5.55% (SBR 2.50% + 3.05%)	50 : 50	2.78% p.a.

Table 3: Worst Market Condition		
Assumption Gross Rate	PSR (Investor:Bank)	Return to Investor
4.40% (SBR 1.75% + 2.65%)	50 : 50	2.22% p.a.

#### Note:

- The above numbers are for illustration purposes only.
- The Investment performance report will be made available to the Customer in the Bank's website at [AffinAlways.com](http://AffinAlways.com).
- Profit will be distributed after applying the effective PSR on the Investment Funds' performance. Losses arising from the investment shall be borne by the Customers, unless it is due to the Bank's misconduct, negligence, or breach of specified terms.

#### 5. WHAT ARE THE KEY RISKS ASSOCIATED WITH THIS PRODUCT?

Notwithstanding that the Bank shall emphasize on risk management control over legal and operational activities, asset allocation, investment objective, valuation, performance and monitoring, and others as per guided in BNM's Investment Policy.

**Customer is advised to carefully consider and should be aware of all various following risk factors associated with AFFIN TIA-i before making an investment.**

The following risk may occur which may cause losses to Investment: -

<b>Risk of capital loss</b>	Any investment may expose the Investor to risk of capital loss, subject to performance of Investment Asset.
<b>Market Risk</b>	Invested Assets are subjected to fluctuations in market rates, which have potential impact of price movement (profit rate, exchange rate - if any) and overall income performance of the Investment Asset.
<b>Liquidity Risk</b>	Such risk occurs when withdrawals/redemptions exceed total investments.
<b>Credit Risk</b>	<ul style="list-style-type: none"> <li>• This risk may arise when substantial amount of assets for the Investment Asset goes into default.</li> <li>• This risk applies in the event the allocation of assets to be invested is not aligned with the market movement.</li> </ul>
<b>Regulatory Non-Compliance Risk</b>	Such situation occurs when the investment fails to adhere to the investment parameters set forth by the relevant regulators.
<b>Shariah Non-Compliance Risk</b>	Failure to comply with the Shariah rulings of Shariah Advisory Council of BNM or the Bank's Shariah Committee may result in a breach.
<b>Country Risk</b>	Political and economic stability of the country may influence the growth and performance of the Investment Asset.
<b>Industry/Sector Risk</b>	Every industry/sector is exposed to various risk elements.

#### 6. WHAT ARE THE FEES AND CHARGES INVOLVED?

NIL

## 7. WHAT IS THE VALUATION STRATEGY ADOPTED, FREQUENCY & WHERE WILL THE VALUATIONS BE PUBLISHED?

- The Bank will perform valuation of the underlying assets of the Investment Asset in accordance with the Malaysian Financial Reporting Standards (MFRS) which will be carried out on a monthly basis.
- The Fund performance report will be published on our website at AffinAlways.com.
- The Statement of Account is available at AffinAlways.com.
- For Joint Account, the Statement of Account is available for the Primary Account Holder at AffinAlways.com.

## 8. WHAT DO I NEED TO IF THERE ARE CHANGES TO MY CONTACT DETAILS?

- It is important that you inform us of any changes in your personal details to ensure that all correspondences reach you in a timely manner.
- The notification must be in writing and mail or deliver by hand to our nearest Affin Islamic Bank or Affin Bank branches.

## 9. WHO SHOULD I CONTACT FOR FURTHER INFORMATION OR TO LODGE A COMPLAINT?

- Should you require additional information about this product, please refer to the product information available at all of our nearest Affin Islamic Bank or Affin Bank branches or visit AffinAlways.com or www.affingroup.com.
- 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 AffinAlways.com or www.Affingroup.com that will be escalated to Customer Feedback & Resolution Management. You may also contact us at:

<u>Address:</u> <b>AFFIN ISLAMIC BANK</b> <b>Customer Feedback &amp; Resolution Management</b> Level 9, Menara Affin, Lingkaran TRX, Tun Razak Exchange, 55188 Kuala Lumpur.	<u>Contact Centre</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

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

<u>Address:</u> <b>BNMLINK</b> 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
	Fax No.	03-2174 1515
	eLINK Web Form	https://bnmlink.bnm.gov.my/

## **WARNING**

**THE RETURNS ON THIS INVESTMENT ACCOUNT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSETS. THE PRINCIPAL AND RETURNS ARE NOT GUARANTEED AND CUSTOMER RISKS EARNING NO RETURNS AT ALL. IF THE INVESTMENT IS REDEEMED EARLY, CUSTOMER MAY SUFFER LOSSES IN PART OR THE ENTIRE PRINCIPAL SUM INVESTED.**

**THIS INVESTMENT ACCOUNT IS NOT PROTECTED BY PERBADANAN INSURANS DEPOSIT MALAYSIA**

The information provided in this disclosure sheet is valid as of **7<sup>th</sup> March 2025**.