



PRODUCT DISCLOSURE SHEET

<p>Kindly read this Product Disclosure Sheet together with the General Terms and Conditions attached herewith before you decide to take the Ar Rahnun Facility-i. Seek clarification from your institution if you do not understand any part of this document or the general terms.</p>	<p>Affin Islamic Bank Berhad Ar Rahnun Facility-i Date:</p>
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1. What is this product about?

(a) Introduction of Product

- Ar Rahnun Facility-i is an Islamic pawn broking service whereby the Customer will pledge an amount of gold jewellery with the Bank to obtain an interest-free loan.
- The Bank will store the Customer jewellery and charged with service fees for safekeeping services. The loan amount will be valued based on the gold market value and depending on the percentage which determined by the Bank and the quality of the jewellery.
- The service tenure for safekeeping of the jewellery and service fees will be determined earlier and agreed upon by the Bank and Customer.
- Where the Customer makes full payment for the loan amount and service fees on or before or on the maturity date, the jewellery will be returned to the Customer.
- Should the Customer fail to fully settle the loan on maturity, including service fees, the Bank will auction the collateral and pay off the loan and any outstanding fees. Surplus (if any), will be returned to the Customer.

(b) Product Features

1.	Eligibility Criteria	Malaysian citizens and permanent residents aged 18 years and up to 70 years old.														
2.	Acceptable Pawn Item	<ul style="list-style-type: none"> • Gold jewellery (without precious stone):- <table border="1" data-bbox="901 1318 1378 1581"> <thead> <tr> <th>Gold Grade</th> <th>Karat</th> </tr> </thead> <tbody> <tr> <td>999</td> <td>24K</td> </tr> <tr> <td>950</td> <td>22.8K</td> </tr> <tr> <td>916</td> <td>22K</td> </tr> <tr> <td>860</td> <td>21K</td> </tr> <tr> <td>835</td> <td>20K</td> </tr> <tr> <td>750</td> <td>18K</td> </tr> </tbody> </table> • Gold coin is acceptable as pawn item subject to the following conditions: <ol style="list-style-type: none"> Certificate of Authenticity/purchase receipts Maximum weight is below 200 grams Gold quality between 22 to 24 karat • The Bank accept only unsealed gold coin from "Public Gold Coins/Public Dinar Gold 	Gold Grade	Karat	999	24K	950	22.8K	916	22K	860	21K	835	20K	750	18K
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		<p>Coins” and “Kijang Emas Gold Bullion”</p> <ul style="list-style-type: none"> • Gold coin rewarded by an employer to their employee as loyalty service is acceptable provided that the employee needs to present the Certificate of Appreciation issued by the Company to the Bank. • The Customer is required to surrender the Certificate of Authenticity to the Bank and the Certificate will only be returned upon redemption/settlement of facility upon maturity. 								
3.	Unacceptable Jewellery	<ul style="list-style-type: none"> • Fake gold jewellery • White Gold • Gold plated jewellery • Gold Bullion: <ul style="list-style-type: none"> ○ Gold Bar ○ Gold Wafer • Jewellery which are owned through illegal activities such as stolen jewellery etc. 								
4.	Margin of Loan	<p>(i) Maximum 70% of the current market value for jewellery based on the quality of the gold pledged.</p> <p>(ii) Loan amount per Customer is from a minimum of RM500 and subject to a maximum aggregate financing per Customer of RM100,000.</p>								
5.	Service Fees	<table border="1"> <thead> <tr> <th>Gold Value</th> <th>Per RM100/month</th> </tr> </thead> <tbody> <tr> <td>Up to RM2,000</td> <td>RM0.60</td> </tr> <tr> <td>RM2,001– RM5,000</td> <td>RM0.70</td> </tr> <tr> <td>Above RM5,001</td> <td>RM0.75</td> </tr> </tbody> </table> <p>Note: The service fees will be calculated based on gold value and not the loan amount.</p>	Gold Value	Per RM100/month	Up to RM2,000	RM0.60	RM2,001– RM5,000	RM0.70	Above RM5,001	RM0.75
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6.	Service Tenure	<p>(i) Service tenure is 6 months with an option to extend up to 6 months for 30 months with conditions that Customer is to fully settle all the service fees due.</p> <p>(ii) Maximum loan tenure is up to 36 months. i.e. $6 + (6 + 6 + 6 + 6 + 6) = 36$ months.</p>								

	7. Settlement of Facility	Customer is to fully settle the amount of total loan and service fees before or on the maturity date.
2. What is the Shariah concept applicable under this product?		
<p>(a) Ar Rahnu Under this concept, a valuable item is collateralised to a debt. Collateral asset will be auctioned should the loan and service fees are not paid within the agreed period.</p> <p>(b) Qard Qard is an interest-free loan where the borrower is only required to repay the principal amount borrowed.</p> <p>(c) Ijarah Refer to a contract that transfers ownership of benefit rights (usufruct) or service for a specified period in exchange for a specified consideration. Under this concept, the Bank provides a safekeeping service of valuable item to customer where the service fee is charged to customer.</p>		
3. What do I get from this product? / What are the features of this product?		
Customer can enjoy the immediate loan facility and allows gold jewellery to be used as collateral. The service fees imposed by the Bank are low and affordable.		
4. What are my obligations?		
Customer is to fully settle the amount of total loan and service fees before or on the maturity date.		
5. What are the fees and charges I have to pay?		
<p>The Customer is charged with service fees which determined by the Bank for jewellery safekeeping services.</p> <p>The service fees will be determined based on gold value and not the loan amount.</p> <p>Example of calculations: Marhun (Pledged Item) Value : RM 7850, Loan Tenure : 6 Months, Total Loan : RM5495 (70% from Marhun (Pledged Item) Value), Service Fees: RM 0.75 for every RM 100 collateral value every month</p> <p>Calculation for Service Fees : Marhun (Pledged Item) Value x Service Fees x Service Tenure : RM7850 x (0.75/100) x 6 month : RM 353.25</p>		
6. What if I fail to fulfill my obligations?		
Should the Customer fail to fully settle the loan on maturity, including fees charged for service fees, the Bank will auction the collateral to pay off the loan and any outstanding fees.		

7. What are the service fees charges for early redemption?

The chargeable service fees are up to the month in which the Customers wished to settle the loan.

8. What are the major risks?

Customers may redeem or extend the facility tenure as long as the jewellery has not been auctioned by the Bank. The Bank reserves the right to auction the jewellery used as collateral for settlement of the loan amount and service fees if the Customer fails to pay the amount due on maturity.

9. What do I need to do if there are changes to my contact details?

The Customer may notify the Bank through various channels of communication such as the website, nearest Bank branch or Customer Service Center if there is any change in your personal information.

10. Where can I get assistance and redress?

- If you have difficulties in making payments, you should contact us earliest possible to discuss payment alternatives.
- 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 individuals. You can contact AKPK at:
Tingkat 8, Maju Junction Mall
1001, Jalan Sultan Ismail,
50250 Kuala Lumpur.
Tel : 03-26167766
Email : enquiry@akpk.org.my
- If you wish to complaint on the products or services provided by us, you may contact us at:
AFFIN ISLAMIC BANK BERHAD
 17th, Floor, Menara Affin
 80, Jalan Raja Chulan
 50200 Kuala Lumpur
 Tel : 03-20559000
 Fax : 03-20261104
 Email : yourvoice@affinbank.com.my
- If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK or TELELINK at:
Block D, Bank Negara Malaysia
 Jalan Dato' Onn,
 50480 Kuala Lumpur.
 Tel : 1-300-88-5465
 Fax : 03-21741515
 Email : bnmteleshop@bnm.gov.my

11. Where can I get further information?

Please contact us at our nearest branch to you or call our Contact Centre no. 03-8230 2222 or visit our web site www.affinislamic.com.my / www.affinonline.com for further details.

IMPORTANT NOTE: THE BANK HAVE THE RIGHT TO SELL/ AUCTION THE COLLATERAL JEWELLERY IF THE CUSTOMERS FAILED TO FULLY SETTLE THE LOAN AND SERVICE FEES

The information provided in this disclosure sheet is valid as at 27 June 2018.

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