

subsequently, on the following Business Day, (as defined in Commodity Murabahah Transaction item (d) below) enter into Commodity Murabahah transaction. Being the Agent of the Customer, the Bank buys specific commodity on a cash basis (at a price equivalent to Purchase Price) from commodity Broker A. Being the Agent again, Bank then sells the commodity to the Bank itself on deferred payment at Sale Price. Then, the Bank sells the commodity to Broker B on cash and spot basis. On the maturity date, the Bank pays the Sale Price to the Customer (taking into considerations any rebates, if any).

- c. Each transaction will be entered into by the Bank in the name of the Customer on a fully disclosed basis. The Bank as Agent will look after the best interest of the Customer and acts in good faith in performing its obligations and dealing in the transactions.
- d. The Bank shall be authorised to delegate its rights and duties as such Agent herein to any third party to do all acts necessary for the completion of the required transactions.

Commodity Murabahah Transaction

- a. The Bank shall enter into Commodity Murabahah transactions based on Daily Net Deposit amount as in the following scenarios:
 - i. End of Day ('EOD') balance on account opening day.
 - ii. Any incremental of deposit at EOD balances on any single day, excluding cheque floats.
 - iii. EOD balance on 31 December each year.
- b. End of Day ('EOD') balance shall be the account balance at 2359 hours at any single day.
- c. The Commodity Murabahah transactions will take place on a daily basis on the next Business Day after the deposit placement (T+1).
- d. For the purposes of the Commodity Murabahah transactions and these Terms and Conditions, the expression "Business Day" means a day excluding Saturday, Sunday and Public Holiday of Federal Territory of Kuala Lumpur.
- e. The tenure shall start from the deposit placement date until 31 December of the respective year (maturity date).
- f. At the Maturity Date, the Bank shall rollover the Total EOD Balance under the Customer's Account and enter into a new Commodity Murabahah Transaction for a tenure that matures on 31 December of the following year.

Security Deposit (Hamish Jiddiyah)

- a. Hamish Jiddiyah is the security deposit amount which the Bank will credit into the Customer's Account on the Profit Crediting Day. On the Profit Crediting Day, the total accrued profit for a particular period will be credited into the Customer's account being partial/full settlement of the Sale Price by the Bank for the Murabahah transactions for the tenure.
- b. Hamish Jiddiyah refers to any amount credited to the Customer's Account prior to Commodity Murabahah transaction.
- c. Hamish Jiddiyah is granted as an assurance from the Bank to the Customer to purchase the Commodity from the Customer on the respective Purchase Date.
- d. The security deposit is derived based on the following formula:

$$\text{Security Deposit} = \frac{\text{End of Day Balance} \times \text{EPR} \times n}{365 \text{ or } 366^*}$$

Where;

EPR = Effective Profit Rate

n = number of days prior to the Commodity Trading that consequently occurs prior to Profit Crediting Day, subject to Non-Business Day of Federal Territory of Kuala Lumpur

**366 to be used during the leap year*

- e. The Customer shall not utilise the Hamish Jiddiyah prior to the Commodity Trading.
- f. The Hamish Jiddiyah shall be returned to the Bank in the event the Commodity Murabahah transaction does not take place such as the closing of Account prior to Commodity Trading.
- g. Once the Commodity Trading is performed, the Hamish Jiddiyah shall be offset against part of Sale Price.

Profit Calculation

- a. The Sale Price shall be computed based on the following formula:

$$\text{Sale Price} = \text{Purchase Price} + \text{Contracted Profit}$$

Where;

Sale Price = the sum payable by the Bank to acquire the Commodity from the Customer on Murabahah basis which comprise of purchase price of the Commodity (daily net deposit) and the contracted profit

Purchase Price = an amount equivalent to customer's Daily Net Deposit (as per scenarios in item (a) of Commodity Murabahah Transaction) which will be used to purchase Commodity on Trading Day

The contracted profit shall be computed based on the following formula:

- i. Annual Trading for End of Day Balance as at 31st Dec (and subsequent years)

$$\text{Contracted Profit} = \frac{\text{Year End of Day Balance} \times \text{CPR} \times \text{Tenure (in days)}}{365 \text{ or } 366^*}$$

**366 to be used during the leap year*

- ii. Daily trading computation for any positive Daily Net Deposit

$$\text{Contracted Profit} = \frac{\text{Daily Net Deposit} \times \text{CPR} \times \text{Tenure (in days)}}{365 \text{ or } 366^*}$$

Where;

CPR = Contracted Profit Rate

**366 to be used during the leap year*

- b. The actual profit shall be accrued daily (including cheque floats*) and paid at every month-end. The actual profit shall be based on Effective Profit Rate ('EPR') as per formula below:

$$\text{Actual Profit} = \frac{\text{EOD Balance} \times \text{EPR} \times \text{No. of days}}{365 \text{ or } 366^*}$$

**366 to be used during the leap year*

* In the event of cheque returned, the Bank will make an adjustment on the actual daily profit accrued in customer's account. The adjustment will be made based on a number of days from cheque was deposited.

- c. The Bank shall determine the EPR and CPR from time to time with prior notice to the Customer. The notice will be published at www.affinislamic.com.my and also to be made available at Bank premises. The EPR declared by the Bank is equivalent to the Bank's prevailing board rate. For CPR will be computed based on the following:
 - i. For single flat rate, CPR will be based on the EPR.
 - ii. For tier rate, CPR will be computed at the highest EPR.
- d. Any excess/extra profit paid by the Bank shall be treated as gift (hibah).

Rebate (Ibra')

- a. The Customer shall consent to grant rebate (Ibra') on any accrued and/or unaccrued profit portion subject to the occurrence of certain events including but not limited to:
 - i. Withdrawal of fund prior maturity
 - ii. Termination/closure of the account
 - iii. Difference between CPR and EPR at the maturity date, given that the Sale Price is computed using CPR, is in excess of the aggregate profit during the year which is computed using EPR based on the following formula:

Formula: $\text{Aggregate Contracted Profit} - \text{Aggregate Actual Profit Credited}$

Statement of Account and Tawarruq Notice

- a. A statement shall be rendered once a month or at such other frequency determined by the Bank from time to time.
- b. A Tawarruq Notice is available upon request by Customer detailing:
 - i. Commodity Murabahah transactions for the month
 - ii. Sale Price
 - iii. Year to Date Contracted Profit
 - iv. Year to Date Actual Profit Paid
- c. The Customer may request the Tawarruq Notice at any of our branches nationwide during office hours. The Bank shall email the Tawarruq Notice to the Customer e-mail address or post the Tawarruq Notice to the Customer latest address within five (5) business days from the date of request of the Tawarruq Notice.

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

- a. Wakalah (Brokerage) fee – RM2.00 per RM1 million on pro-rate basis. The Wakalah (Brokerage) fee is to be shared equally between Affin Islamic Bank and Customer. However, this fee is waived by the Bank
- b. The fees and charges as mentioned above are part of the fees and charges. For other fees and charges applicable to this product, please visit www.affinislamic.com.my → Tariff Charges

6. What are the major risks associated with the product?

In the event you make early closure (less than six (6) months from opening), an RM20.00 fee will be imposed.

7. What do I need to do 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 or AFFINBANK branches.

8. Where can I get further information?

- a. Should you require additional information about this product, please refer to the product information available at all of our nearest AFFIN ISLAMIC or AFFINBANK branches or visit www.affinislamic.com.my / www.affinonline.com
- b. If you have any enquiries, please contact our Call Centre at 03-8230 2222 or e-mail to yourvoice@affinbank.com.my.

9. Other Current Account-i available

- a. Current Account-i
- b. AFFIN Plus-i
- c. AFFIN Gold-i
- d. AFFIN Grow-i Current Account
- e. AFFIN Avance Savvy-i

The information provided in this disclosure sheet is valid as at 10 June 2021.

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.

Signature : _____

Name : _____

NRIC/Passport No : _____

Date : _____