

PRODUCT DISCLOSURE SHEET	ENGLISH VERSION																						
<p><b>(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).</b></p>	<p>Bank : <b>Affin Islamic Bank Berhad</b></p> <p>Product : <b>Tawarruq Cash Line-i (CL-i)</b></p> <p><b>Date of Issuance to Customer:</b></p> <p>_____</p> <p>(to be filled out upon application)</p>																						
<b>1. What is this product about?</b>																							
<p>Tawarruq Cash Line-i is comparable to an overdraft facility of conventional banking. Tawarruq Cash Line-i is a financing granted by Affin Islamic Bank Berhad ("Bank") of which, the mode of operation is through a current account, whereby you ("Customer") are authorized to draw on account up to an approved limit.</p>																							
<b>2. What is the Shariah concept applicable?</b>																							
<p><b><u>Tawarruq</u></b>            The Shariah Concept applied for the above product is <i>Tawarruq</i>.  <i>Tawarruq</i> 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.</p> <p><b><u>Wakalah</u></b>            Under this facility, the Bank will apply the dual-agency mechanism under the <i>Wakalah</i> 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 <i>Tawarruq</i> transaction.</p> <p><b><u>Wa'd</u></b>            The customer will execute the Purchase Undertaking based on <i>Wa'd</i> 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.</p>																							
<b>3. What do I get from this product?</b>																							
<ul style="list-style-type: none"> <li><b>Total Tawarruq Cash Line-i Limit of:</b> RM _____ subject to the Bank's credit evaluation and approval.</li> <li><b>Profit:</b> The Bank's Base Financing Rate (BFR*) plus spread (Effective Profit Rate).                The maximum capping rate for determining the Bank's Sale Price is 12% per annum (Ceiling Profit Rate) unless otherwise approved by the Bank.</li> <li><b>Tenure:</b> Up to 10 years, subject to Bank's approval and yearly review.                The Purchase Price (the financing amount shall be disbursed as an available limit for utilization in the Customer's designated account).  <u>Example:</u></li> </ul>																							
<table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 60%;"><b>Facility Limit</b></td> <td>RM 1,000,000.00</td> </tr> <tr> <td><b>Ceiling Profit Rate (CPR)</b></td> <td>12% per annum (p.a.)</td> </tr> <tr> <td><b>Financing Tenure</b></td> <td>10 years</td> </tr> <tr> <td><b>Bank's Purchase Price (BPP)</b></td> <td>RM 1,000,000.00</td> </tr> <tr> <td><b>Total Profit (based on CPR)</b></td> <td>RM 1,200,000.00</td> </tr> <tr> <td><b>Bank's Sale Price (BSP)</b></td> <td>RM 2,200,000.00</td> </tr> <tr> <td><b>Profit Rate</b></td> <td>BFR + 2%</td> </tr> <tr> <td><b>Effective Profit Rate (EPR)</b></td> <td>8.81% per annum (p.a.)</td> </tr> <tr> <td><b>Total Utilisation</b></td> <td>RM 100,000.00</td> </tr> <tr> <td><b>No of Utilisation Days (31 days in January)</b></td> <td>31</td> </tr> <tr> <td><b>Profit Charged for the Month</b> <i>(Total Utilization x EPR x No. of Utilization Days / 365)</i></td> <td>RM 748.24 <i>(RM100,000 X 8.81% X 31/365)</i></td> </tr> </tbody> </table>		<b>Facility Limit</b>	RM 1,000,000.00	<b>Ceiling Profit Rate (CPR)</b>	12% per annum (p.a.)	<b>Financing Tenure</b>	10 years	<b>Bank's Purchase Price (BPP)</b>	RM 1,000,000.00	<b>Total Profit (based on CPR)</b>	RM 1,200,000.00	<b>Bank's Sale Price (BSP)</b>	RM 2,200,000.00	<b>Profit Rate</b>	BFR + 2%	<b>Effective Profit Rate (EPR)</b>	8.81% per annum (p.a.)	<b>Total Utilisation</b>	RM 100,000.00	<b>No of Utilisation Days (31 days in January)</b>	31	<b>Profit Charged for the Month</b> <i>(Total Utilization x EPR x No. of Utilization Days / 365)</i>	RM 748.24 <i>(RM100,000 X 8.81% X 31/365)</i>
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<p><b>Note:</b></p> <ul style="list-style-type: none"> <li>All calculations and information above are for the purpose of <b>ILLUSTRATION</b> only.</li> <li>BFR is subject to change from time to time and the current BFR is at 6.81 % p.a.</li> </ul>																							

#### 4. What are my obligations?

- You are required to pay the profit portion of the Bank's Sale Price on monthly payment basis (profit payment) subject to utilization amount which will be calculated based on the Effective Profit Rate, which will not exceed the Ceiling Profit Rate.
- Upon maturity of the financing period, you are required to make a full settlement for the outstanding profit payment and principal portion of the Bank's Sale Price.

	<b>Today's BFR 6.81% p.a.</b>	<b>If BFR goes up 1% p.a.</b>	<b>If BFR goes up 2% p.a.</b>
Effective Profit Rate	8.81%	9.81%	10.81%
Profit Charged for the Month	RM 748.24	RM833.17	RM 918.10

**Important:**

- Your monthly profit charged, and total payment amount will vary if the BFR changes:
- All calculations and information above are for the purpose of **ILLUSTRATION** only.
- Profit is calculated on a daily basis.
- Due to the increase in BFR, the Effective Profit Rate on the Tawarruq Cash Line-i may vary from rate initially stated in our Letter of Offer and it will change accordingly as published by the Bank from time to time.

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

- Stamp Duty: As per Stamp Duty Act 1949 (Revised)
- No commitment fee will be charged on the unutilized amount.
- Costs and charges relating to the financing documentation for the Tawarruq Cash Line-i shall be borne by the Customer
- Brokerage Fee
  - \*The Brokerage Fee is related to the brokerage cost, which is RM10 per RM1.0 million on pro-rate basis. The imposition of Brokerage Fee is as follows: -
    - Non-SMEs – based on actual brokerage cost imposed by the commodity platform provider
    - SMEs– 50% of actual brokerage cost imposed by commodity platform provider

Please refer to Bank's Letter of Offer for any other fees chargeable.

**Note:**

\*The Brokerage Fee is subject to changes on the brokerage cost charged by the commodity platform provider from time to time.

#### 6. What if I fail to fulfill my obligations?

- The Customer shall pay the Bank late payment charges by way of *Ta'widh* (compensation) as follows:

Before maturity of the Facility

A sum equivalent to one per centum (1%) per annum on overdue instalment(s) until date of full payment;

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

Upon maturity of the Facility

A sum equivalent to the prevailing daily overnight Islamic Interbank Money Market Rate (IIMM) on outstanding balance i.e. outstanding Selling Price/Rental less *ibra'* (if any);

$$= \text{Outstanding balance} \times \text{prevailing IIMM} \times \frac{\text{no. of days overdue}}{365}$$

- We may set-off any credit balance in account maintained with us against any outstanding balance in this facility account by providing seven (7) calendar days of prior notice to you.
- Legal action will be taken against you if you fail to respond to reminder notices. You will have to bear all costs in relation to the same. You are responsible to settle any shortfall (if any) 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.
- Please refer to your responsibilities as stated in the Letter of Offer.

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

The Bank does not impose a lock-in period for the Tawarruq Cash Line-i 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. Ibra' (rebate) formula:

**Ibra' (rebate) on early settlement = deferred profit-reasonable estimate 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 on Effective Profit Rate of the outstanding principal being utilized.

### 8. Do I need any insurance/takaful coverage?

Requirement is subject to Bank's evaluation and shall be stated in the Bank's Letter of Offer.

**Note:**

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

### 9. What are the major risks?

- The profit rate is pegged against the BFR and it may vary from time to time. Non-payment may result in liquidation of the collateral (if any) to off-set any overdue amount owing to the Bank.
- If you have problems to fulfill your financing obligations, please contact and discuss with us.

### 10. Where can I get assistance and redress?

- If you have difficulties in making payments, you should contact your respective Relationship Manager earliest possible to discuss payment alternatives.
- If you wish to complain on the product or services provided by us, you may fill-in an "Online Feedback Form" which is available at Bank's website: [AffinAlways.com](http://AffinAlways.com) that will be escalated to Customer Feedback & Resolution Management. You may also contact us at:

<b>Address:</b> <b>Customer Feedback &amp; Resolution Management</b> Level 9, Menara Affin, Lingkaran TRX, Tun Razak Exchange, 55188 Kuala Lumpur	<b>Contact No.</b> Operating Hours: 8:00 a.m. – 12:00 a.m. (Monday – Sunday)	03 – 8230 2222
	E-mail	<a href="mailto:yourvoice@affingroup.com">yourvoice@affingroup.com</a>
	Website	<a href="https://www.affinalways.com">https://www.affinalways.com</a> <a href="https://www.affingroup.com">https://www.affingroup.com</a>

- 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 counselling, financial education and debt restructuring for both individuals and SMEs. You can contact AKPK at:

<b>Address:</b> <b>Agensi Kaunseling dan Pengurusan Kredit (AKPK)</b> 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)

- You may re-address the issue with the Ombudsman for Financial Services (OFS) when steps taken by the Bank is still unsatisfactory. You may contact OFS at:

<b>Address:</b> <b>Ombudsman for Financial Services (OFS) (664393P)</b> <b>(Formerly known as Financial Mediation Bureau)</b> Level 14, Main Block Menara Takaful Malaysia No. 4, Jalan Sultan Sulaiman 50000 Kuala Lumpur	<b>Contact No.</b>	03 – 2272 2811
	Fax No.	03 – 2272 1577
	E-mail	<a href="mailto:enquiry@ofs.org.my">enquiry@ofs.org.my</a>
	Website	<a href="http://www.ofs.org.my">www.ofs.org.my</a>

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

<b>Address:</b> <b>BNMLINK</b> Bank Negara Malaysia P.O. Box 10922 (Peti Surat 10922) 50929 Kuala Lumpur	<b>Contact No.</b> Operating Hours: 9:00 a.m. – 5:00 p.m. (Monday – Friday)	1-300-88-5465
	<b>Fax No.</b>	03-21741515
	<b>eLink Web Form</b>	<a href="https://bnmlink.bnm.gov.my">https://bnmlink.bnm.gov.my</a>

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

It is important that you inform us (written notice to be sent to the account holding branch) of any changes in your contact information to ensure that all correspondences reach you in a timely manner.

**12. Where can I get further information?**

Should you require additional information on financing, please visit Bank’s branches near you or call our Contact Centre at 03-8230 2222 or visit our website [AffinAlways.com](http://AffinAlways.com) for further details.

**13. Other facilities available.**

- Murabahah Term Financing-i,
- Istisna’ Term Financing-i,
- Musharakah Mutanaqisah Term Financing-i,
- Ijarah Term Financing-i,
- Tawarruq Term Financing-i
- Tawarruq Revolving Credit-i.

**IMPORTANT NOTE:**

**LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DO NOT KEEP UP PAYMENTS ON YOUR FACILITY.**

The information provided in this disclosure sheet is valid as at **12 JANUARY 2024**

- 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 No : \_\_\_\_\_