

PRODUCT DISCLOSURE SHEET	ENGLISH VERSION		
<p>(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).</p>	<p>Bank : Affin Islamic Bank Berhad</p> <p>Product : Musharakah Mutanaqisah Term Financing-i</p> <p>Date of Issuance to Customer:</p> <p>_____</p> <p>(to be filled out upon application)</p>		
1. What is this product about?			
<p>Financing facility under the Musharakah Mutanaqisah Term Financing-i granted by Affin Islamic Bank Berhad ("Bank") to you as the customer ("Customer") is used to finance the purchase of completed landed and non-landed asset.</p>			
2. What is the Shariah concept applicable?			
<p>The Shariah concept applicable is Musharakah Mutanaqisah or Diminishing Musharakah.</p> <ul style="list-style-type: none"> Under the Shariah concept of <i>Musharakah Mutanaqisah</i>, the Bank and the Customer jointly purchase an identified property ("Property") where the Customer shall contribute a certain sum as the initial payment ("Customer's Initial Acquisition Payment") towards part purchase of the Property and the Bank shall contribute a certain sum being the balance of the initial payment ("Bank's Initial Acquisition Payment") towards the purchase of the Property. The Bank leases its share of Property to the Customer on the basis of <i>Ijarah Mawsufah Fi Zimmah</i> (Forward Leasing) during construction and <i>Ijarah</i> (Lease) upon completion of property (whichever applicable). The Bank then appoints the Customer as its service agent in relation to the Property upon the terms as stated in the Service Agency Contract. The Customer shall pay to the Bank installment payments ("Installment Payment") which comprise: (i) Acquisition Payment being payment towards acquiring the Bank's ownership share in the Property; and (ii) Rental Payment being payments for the lease of the Property. As a result of the Installment Payment made under the Musharakah Mutanaqisah Term Financing-i, the Customer's ownership share in the Property will increase and the Bank's ownership share will decrease proportionately until the Property is wholly and fully owned by the Customer. The Rental Payment shall cease immediately upon the Customer having fully acquired the ownership share in the Property from the Bank. If the Property cannot be occupied due to construction of the Property being abandoned which cannot be revived, the advance rental as duly paid by the Customer, will be refunded to the Customer in the manner as determined by the Bank. 			
3. What do I get from this product?			
<p>Total Financing Amount : RM 500,000.00</p> <p>Ceiling Ijarah Rate : 12% per annum (p.a.)</p> <p>Ijarah Rate : BFR + 2% per annum (p.a.) = 8.81% p.a.</p> <p>Tenure : 7 years</p> <p>Note:</p> <ul style="list-style-type: none"> All calculations and information above are for the purpose of ILLUSTRATION only. Financing amount is equivalent to Bank's Purchase Price. The Ceiling Ijarah Rate (i.e. maximum capping rate) is as stated above unless otherwise advised by the Bank. However, the monthly profit will be calculated based on the Ijarah Rate on monthly rest basis which will not exceed the Ceiling Ijarah Rate. BFR is subject to change from time to time and our current Base Financing Rate (BFR) is 6.81% p.a. 			
4. What are my obligations?			
<p>Example:</p> <ul style="list-style-type: none"> Ijarah Rate at BFR + 2.00% p.a. (8.81%) Your monthly installment is <u>RM 7,996.41</u> Your payment amount at the end of 7 years is <u>RM 671,698.44</u> 			
	Today's BFR 6.81% p.a.	If BFR goes up 1% p.a.	If BFR goes up 2% p.a.
Ijarah Rate	8.81%	9.81%	10.81%
Monthly installment	RM 7,996.41	RM 8,251.59	RM 8,511.35
Total profit at the end of 7 years	RM 171,698.44	RM 193,133.56	RM 214,953.40

Total payment amount at the end of 7 years	RM 671,698.44	RM 693,133.56	RM 714,953.40
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IMPORTANT:

- Your monthly installment and total payment amount will vary if the BFR changes
- All calculations and information above are for the purpose of **ILLUSTRATION** only.
- Rental is calculated on monthly rest basis.
- Due to the increase in BFR, the Ijarah Rate on the Musharakah Mutanaqisah Term Financing-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.
- Increase in BFR may result in higher Installment Payment amount to be serviced. However, the monthly profit will not exceed the Ceiling Ijarah Rate.

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

- Stamp Duty: As per Stamp Duty Act 1949 (Revised)
- Costs and charges relating to the financing documentation for the Musharakah Mutanaqisah Term Financing-i shall be borne by the Customer.
- For venture/financing where the arrangement is made via Investment Account Platform (IAP), the relevant fees and charges shall be applicable.
- Please refer to Bank's Letter of Offer for any other fees chargeable.
- Any payment of ownership expenses incurred or to be incurred shall be borne entirely by the customer.

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?

If you wish to make an early buyout of the Musharakah Mutanaqisah Term Financing-i, you agree and undertake to purchase the Bank's ownership share in the Property at the buyout amount which is at the indicative price calculated at an amount equivalent to the outstanding ownership share of the Bank in the Property plus reasonable estimate cost of the Bank, irrespective of whether or not such Bank's Initial Acquisition Payment amount was reduced or suspended or available for utilization prior to the cancellation of the Musharakah Mutanaqisah Term Financing-i.

8. Do I need any insurance/takaful coverage?

- Yes. It is compulsory. Customer is required to obtain Takaful coverage.
- For Mortgage Reducing Term Takaful (MRTT), the actual contribution cost is included in the financing package of the Musharakah Mutanaqisah Term Financing-i, subject to terms and conditions listed in the Letter of Offer. Notwithstanding this, the Bank may require any other Takaful coverage as stipulated in 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 provider.

9. What are the major risks?

- The payment of Bank's Price is by way of periodical installment, an increase in the Base Financing Rate (BFR) as in the case of floating rate will result in higher installment; but is capped at Ceiling Ijarah Rate of 12%. The Bank will notify customer on changes of monthly Installment Payment prior to the effective date.
- 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 that will be escalated to Customer Feedback & Resolution Management. You may also contact us at:

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

- 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:

Address: 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)

- 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:

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

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

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

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 for further details.

13. Other facilities available.

- Ijarah Term Financing-i,
- Istisna' Term Financing-i,
- Murabahah Term Financing-i
- Tawarruq Term Financing-i.

IMPORTANT NOTE:

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

The information provided in this disclosure sheet is valid as **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 : _____