

SPECIFIC TERMS & CONDITIONS

14. AFFIN ISLAMIC TERM DEPOSIT-i (AITD-i)

- a. This account is based on Shariah principles of Wakalah with underlying Commodity Murabahah (Tawarruq). Under Wakalah concept, on behalf of the Customer, the Bank will conduct and execute purchase and sale transactions of specific Shariah compliant commodity (the Commodity) of which will be identified and used as an underlying asset for the purchase and sale transaction using the Customer's deposit. For this purpose, the Bank being an Agent to the Customer will enter into Murabahah transactions where the Bank shall, during the tenure of the deposit and any subsequent deposit placement or any renewal thereof, perform and execute all acts with respect to the purchase and sale of the Commodity on behalf of the Customer.
- b. Upon signing the related account opening form and Letter of Agency, the Customer immediately pays the Purchase Price of the Commodity (equivalent to deposit amount) to the Bank. The Bank as an Agent to the Customer shall subsequently or on the next Business Day (as defined in item r below) enter into Murabahah transaction. Being the agent of the Customer, Bank buys specific commodity on cash basis (at a price equivalent to deposit amount placed) from commodity Broker A. Being the agent again, Bank then sells the commodity to the Bank itself on Murabahah basis on deferred payment. The price represents the deposit plus fixed return amount payable to the Customer. Then, the Bank sells the commodity to Broker B on cash and spot basis. Upon maturity, Bank pays to the Customer at a price, comprising of deposit plus profit.
- c. The Customer hereby agreed that the fund (deposit) received by the Bank shall be treated as Qard (Loan) in the event that the Bank is unable to execute the Tawarruq transaction on the same day on which the fund (deposit) is received from the Customer due to the following circumstances:
 - a) normal close of business/operation including public holidays and other state holidays; or
 - b) unexpected disruptions to operations including but not limited to system breakdown, force majeure event or unexpected holiday; or
 - c) reasonable period required for the Bank to process the Tawarruq application from the Customer.
- d. In relation thereof, the Customer shall indemnify the Bank hold the Bank harmless from and against all losses, claims, actions, proceedings, damage, costs and expenses whatsoever, legal or otherwise, (including but not limited to all legal costs incurred by the Bank on a solicitor and client basis) brought or claimed by any party and/or incurred or sustained by the Bank as a result of the Tawarruq transaction. The indemnity given shall survive termination of these Terms and Conditions and any sums payable under it and shall not be subject to any deduction whether by way of set off counter claim or otherwise.
- e. The Bank may credit the profit into Customer's account either upfront, monthly or upon maturity. For upfront profit payment, the profit will be paid one (1) day or any other day after Tawarruq transaction has been concluded and deemed as suitable by the Bank via crediting of Customer's Islamic Current or Saving Account (CASA-i). For monthly profit payment, the amount to be received by the Customer is equivalent to the profit amount to be distributed for the month via crediting of Customer's Islamic Current or Saving Account (CASA-i) whereas for profit at maturity, the Bank shall pay the Customer the whole profit amount on lump sum basis or six (6) monthly as the case may be.
- f. Payment shall be made to the authorized signatory of the AITD-i upon presentation of valid identification.
- g. The Customer who opted for upfront or monthly profit payment is encouraged to have either Islamic Current Account or Saving Account (CASA-i) with the Bank to facilitate crediting of profit.
- h. The profit rate quoted shall be determined by the Bank from time to time.
- i. For individual depositors, the profit rates shall be displayed by the Bank in its branch premises.
- j. The period for which money can be placed on AITD-i shall range from 1 month to 60 months as may be determined by the Bank from time to time. The minimum amount shall be determined by the Bank from time to time.

- k. For cases where the mode of deposit is cheque and in the event the said cheque is returned or dishonoured after issuance of Advice, the Bank reserves the right to close the AITD-i and treat the Advice as cancelled and invalid whether or not the said Advice is returned to the Bank for cancellation. In this case, the Customer is deemed fail to effect payment of the Purchase Price on the relevant Commodity Murabahah transaction date; therefore the Customer shall bear all actual losses and indemnify the Bank pursuant to item b above.
- l. **Renewal**
- i) Renewal is allowed upon maturity. A new Advice will be issued to the Customer.
 - ii) In the case of renewal upon maturity, the profit can be reinvested together with the principal amount, for the same tenure unless otherwise advised by the Customer.
 - iii) For upfront and monthly profit, only the principal amount can be reinvested for the same tenure unless other advised by the Customer.
 - iv) If the Bank does not receive from the Customer any written instruction, upon maturity, the AITD-i will be renewed automatically together with profit, if any, (except for the upfront and monthly profit, renewal is on the principal only) at the Bank's prevailing rate for the same tenure. Upon renewal or on the next Business Day (as defined in item r below), the Bank being an Agent to the Customer will enter into Commodity Murabahah transaction.
- m. Top-up is not allowed at any point of time during the tenure. The Customer may place or make new deposit, in which case, the Bank will deem it as a new placement and an Advice will be issued to the Customer.
- n. For Early Payment (Premature Withdrawal), the Customer shall agree to grant Ibra' (rebate) on a part or all of the contracted profit to the Bank as follows:
- Premature withdrawal within three (3) months from the date of opening of account:
 - No profit shall be paid by the Bank. The Customer shall waive his right to the Bank on the entire contracted profit.
 - Premature withdrawal above three (3) months from the date of opening of account:
 - The Bank shall pay 50% of profit computed based on completed month. The Customer shall waive his right to the Bank on the remaining contracted profit.

In respect to withdrawal before maturity, the Bank shall deduct from the principal amount, the initial amount credited as profit as per the aforementioned premature situations.

With effect from 1 January 2019, for any new placement and/or renewal of the AITD-i, no profit will be paid for premature withdrawal made on or after 1 August 2018.

As an illustration on the premature withdrawals are as follows:

Date of Placement or Renewal	Date of Premature Withdrawal	Premature Withdrawal
Prior to 1 August 2018	Prior to 1 January 2019	For Early Payment (Premature Withdrawal), the Customer shall agree to grant Ibra' (rebate) on a part or all of the contracted profit to the Bank as follows: (a) Within three (3) months from the date of opening of account. - No profit shall be paid by the Bank. The Customer shall waive his/her right on the entire contracted profit.
	From 1 January 2019	
From 1 August 2018	Prior to 1 January 2019	(b) Above three (3) month from the date of opening of account. - The Bank shall pay only 50% of profit computed based on completed months. The Customer shall waive his/her right on the remaining contracted profit.

	From 1 January 2019	For Early Payment (Premature Withdrawal), the Customer shall agree to grant Ibra' (rebate) on all of the contracted profit in the event of withdrawal prior to maturity date. No profit shall be paid to the Customer.
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- o. Partial premature withdrawal is not allowed.
- p. If there is any inconsistency between the physical evident of AITD-i Advice produced by the Customer or other evidence of whatsoever nature / description and the statement of account of the Bank, the latter prevails in respect of such inconsistency.
- q. The AITD-i documentary evidence produced by the Customer cannot be used to claim against the Bank and in the event of any dispute or conflict between the Bank's records of the Customer; the Bank's records shall prevail for all intents and purposes.
- r. 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) on which the Bank is open for business in Malaysia.

The Generic Terms & Conditions (GTC) above will apply to all types of accounts / products / services and the specific terms and conditions set out hereunder shall form part of and be read with the GTC.