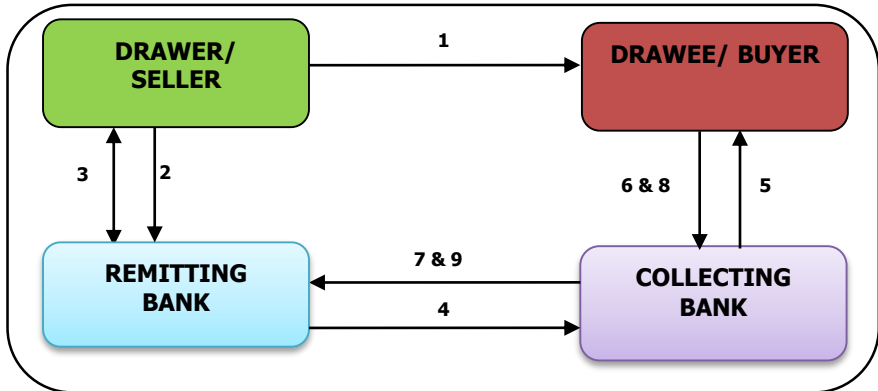
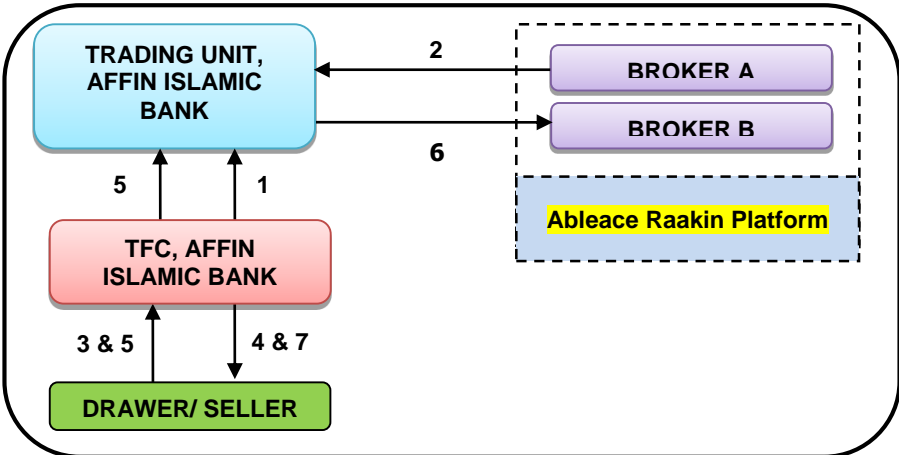


NO.	ITEM	INFORMATION
1.	Product Name	Bills Purchased-i (BP-i)
2.	Type of Facility	Trade Bills-i Facility
3.	Purpose	Bills Purchased-i is an Islamic trade bills facility granted to customer who involve in sales and export business in which under this facility, Bank will purchase Customer's bills which are drawn under documentary collection and will be either on sight or usance basis.
4.	Benefits	<ul style="list-style-type: none"> • Immediate cash funds upon presentation of documents • Maximizing financing value • Low fees and charges
5.	Shariah Concept	Bay' Al Dayn Bi Al Sila' refers to enhancement of the existing Bay' Al Dayn concept with the adoption of buying and selling of the commodity in relation to the sale of debt.
6.	Eligibility	<ul style="list-style-type: none"> • Sole Proprietors • Partnerships • SME's • Private & Public Limited Companies / Institutions • Government/Statutory Bodies <p><i>Nature of business must be Shariah compliant</i></p>
7.	Processing of Application	Application for financing is as per existing processes and that the completion of Financing Approval Memo (FAM) is also per the Bank's existing standard credit assessment and evaluation process.
8.	Modus Operandi	<p>a) Modus Operandi for Bills Purchased-i (Sight):</p> <pre> graph TD DS[DRAWER/ SELLER] -- 1 --> DB[DRAWEE/ BUYER] DB -- 5 --> CB[COLLECTING BANK] CB -- 6 --> DS CB -- 4 --> RB[REMITTING BANK] RB -- 7 --> DS RB -- 2 --> DB DS -- 3 --> RB </pre> <p align="center">Diagram 1: Bills Purchased-i Sight</p> <p>The Customer (Drawer/Seller) and the Drawee agree on a trade transaction whereby the Customer agrees to sell and Buyer agrees to buy the merchandise. As a result, a sale contract is drawn up between the Customer and the Buyer stipulating the various terms and conditions under which the contract is to be fulfilled and payment is to be made.</p>

	<p>Modus Operandi</p>	<table border="1"> <thead> <tr> <th data-bbox="578 216 695 279">Steps</th> <th data-bbox="695 216 1495 279">Descriptions</th> </tr> </thead> <tbody> <tr> <td data-bbox="578 279 695 359">1.</td> <td data-bbox="695 279 1495 359">Pursuant to the sale contract, Customer ships the merchandise to the Drawee.</td> </tr> <tr> <td data-bbox="578 359 695 506">2.</td> <td data-bbox="695 359 1495 506">Upon shipment of the merchandise, the Customer presents Collection Instruction Form , transport documents such as Invoices, Bill Of Exchange, packing list, certificate of origin, Takaful documents, etc. together with Transaction documents to the Bank.</td> </tr> <tr> <td data-bbox="578 506 695 615">3.</td> <td data-bbox="695 506 1495 615">Bank then undertakes the trading transaction with modus operandi illustrated as Diagram 2: Trading Operandi of Bay' Al-Dayn bi Al- Sila'. <u>Refer Item C-Trading Operandi for Bay' Al-Dayn bi Al-Sila'.</u></td> </tr> <tr> <td data-bbox="578 615 695 688">4.</td> <td data-bbox="695 615 1495 688">Subsequently, the Bank forwards the documents to the Collecting Bank for onward submission to the Drawee with the Collection Instruction.</td> </tr> <tr> <td data-bbox="578 688 695 762">5.</td> <td data-bbox="695 688 1495 762">The Collecting Bank will then present copy of the documents to the Drawee for payment.</td> </tr> <tr> <td data-bbox="578 762 695 989">6.</td> <td data-bbox="695 762 1495 989">Upon payment, the Collecting Bank will release the related export documents to the Drawee and the Bill of Exchange will be retained by the Collecting Bank. <u>Note:</u> This will entitle the Drawee to take delivery of the merchandise shipped at port.</td> </tr> <tr> <td data-bbox="578 989 695 1062">7.</td> <td data-bbox="695 989 1495 1062">Eventually, the Collecting Bank will send the payment to the Bank which will be knocked-off against the Customer's financing account.</td> </tr> </tbody> </table>	Steps	Descriptions	1.	Pursuant to the sale contract, Customer ships the merchandise to the Drawee.	2.	Upon shipment of the merchandise, the Customer presents Collection Instruction Form , transport documents such as Invoices, Bill Of Exchange, packing list, certificate of origin, Takaful documents, etc. together with Transaction documents to the Bank.	3.	Bank then undertakes the trading transaction with modus operandi illustrated as Diagram 2: Trading Operandi of Bay' Al-Dayn bi Al- Sila'. <u>Refer Item C-Trading Operandi for Bay' Al-Dayn bi Al-Sila'.</u>	4.	Subsequently, the Bank forwards the documents to the Collecting Bank for onward submission to the Drawee with the Collection Instruction.	5.	The Collecting Bank will then present copy of the documents to the Drawee for payment.	6.	Upon payment, the Collecting Bank will release the related export documents to the Drawee and the Bill of Exchange will be retained by the Collecting Bank. <u>Note:</u> This will entitle the Drawee to take delivery of the merchandise shipped at port.	7.	Eventually, the Collecting Bank will send the payment to the Bank which will be knocked-off against the Customer's financing account.
Steps	Descriptions																	
1.	Pursuant to the sale contract, Customer ships the merchandise to the Drawee.																	
2.	Upon shipment of the merchandise, the Customer presents Collection Instruction Form , transport documents such as Invoices, Bill Of Exchange, packing list, certificate of origin, Takaful documents, etc. together with Transaction documents to the Bank.																	
3.	Bank then undertakes the trading transaction with modus operandi illustrated as Diagram 2: Trading Operandi of Bay' Al-Dayn bi Al- Sila'. <u>Refer Item C-Trading Operandi for Bay' Al-Dayn bi Al-Sila'.</u>																	
4.	Subsequently, the Bank forwards the documents to the Collecting Bank for onward submission to the Drawee with the Collection Instruction.																	
5.	The Collecting Bank will then present copy of the documents to the Drawee for payment.																	
6.	Upon payment, the Collecting Bank will release the related export documents to the Drawee and the Bill of Exchange will be retained by the Collecting Bank. <u>Note:</u> This will entitle the Drawee to take delivery of the merchandise shipped at port.																	
7.	Eventually, the Collecting Bank will send the payment to the Bank which will be knocked-off against the Customer's financing account.																	
	<p>Modus Operandi</p>	<p>b) <u>Modus Operandi for Bills Purchased-i (Usance):</u></p>  <p style="text-align: center;">Diagram 2: Bills Purchased-i Usance</p>																

Modus Operandi	<p>The Customer (Drawer/Seller) and the Drawee/Buyer agree on a trade transaction whereby the Customer agrees to sell and Buyer agrees to buy the merchandise. As a result, a sale contract is drawn up between the Customer and the Buyer stipulating the various terms and conditions under which the contract is to be fulfilled and payment is to be made.</p>	
	Steps	Descriptions
	1.	Pursuant to the sale contract, Customer ships the merchandise to the Buyer.
	2.	Upon shipment of the merchandise, the Customer presents Collection Instruction Form , transport documents such as Invoices, Bill Of Exchange, packing list, certificate of origin, Takaful documents, etc. together with Transaction documents to the Bank.
	3.	Bank then undertakes the trading transaction with modus operandi illustrated as Diagram 2: Trading Operandi of Bay' Al-Dayn bi Al- Sila'. <u>Refer Item C-Trading Operandi for Bay' Al-Dayn bi Al-Sila'.</u>
	4.	Subsequently, the Bank forwards the documents to the Collecting Bank for onward submission to the Drawee with the Collection Instruction.
	5.	<ul style="list-style-type: none"> (a) The Collecting Bank will then present Bill of Exchange and copy of the export documents to the Drawee for acceptance. (b) Drawee then in subsequent accepts the Bill of Exchange indicating Drawee's agreement on the terms and maturity date of the Bill of Exchange.
	6.	<p>Upon Drawee's acceptance, the Collecting Bank releases the original export documents to the Drawee and the Bill of Exchange is retained by the Bank.</p> <p><u>Note:</u> This will entitle the Drawee to take delivery of the merchandise shipped at port.</p>
	7.	<ul style="list-style-type: none"> (a) Collecting Bank then advises the Bank on the acceptance of the terms as well as the maturity date. (b) The Bank informs the Drawer on the Drawee's acceptance of the terms and maturity date.
	8.	Drawee makes payment on the maturity date to Collecting Bank.
9.	The Collecting Bank remits the payment to the Bank and eventually knocked-off against the Drawer's financing account.	

	<p>Modus Operandi</p>	<p>a) <u>Trading Operandi for Bay' Al-Dayn bi Al-Sila'</u></p>  <table border="1"> <thead> <tr> <th>Steps</th> <th>Descriptions</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Upon obtaining the relevant documents from the Customer, the Bank then shall check on the instruction and ensure that all documents are in order. If they are in order, TFC shall proceed to instruct the Trading Unit to perform the commodity trading by submitting the following documents to the Trading Unit :- (i) Purchase Requisition Form (ii) Letter of Agency</td> </tr> <tr> <td>2.</td> <td>Trading Unit shall purchase the commodity from Broker A (Supplier) at the Bank's Purchase Price (BPP).</td> </tr> <tr> <td>3.</td> <td>Bank purchases the customer's debt at the Bank's Purchase Price.</td> </tr> <tr> <td>4.</td> <td>Bank then pays Customer in the form of commodity.</td> </tr> <tr> <td>5.</td> <td>Subsequently, the Customer will appoint the Bank as an agent to sell the commodity to another broker. Immediately, upon conclusion of the akad with the Customer, a copy of e-certificate generated from the Ableace Raakin platform will be submitted to TFC.</td> </tr> <tr> <td>6.</td> <td>Bank then sells the commodity to Broker B via Ableace Raakin system.</td> </tr> <tr> <td>7.</td> <td>Upon receipt of the e-certificate and confirmation of the akad (via e-mail), TFC will proceed with disbursement to the Customer's account. Letter of confirmation on the commodity trading transactions will be couriered by TFC to the Customer.</td> </tr> </tbody> </table>	Steps	Descriptions	1.	Upon obtaining the relevant documents from the Customer, the Bank then shall check on the instruction and ensure that all documents are in order. If they are in order, TFC shall proceed to instruct the Trading Unit to perform the commodity trading by submitting the following documents to the Trading Unit :- (i) Purchase Requisition Form (ii) Letter of Agency	2.	Trading Unit shall purchase the commodity from Broker A (Supplier) at the Bank's Purchase Price (BPP).	3.	Bank purchases the customer's debt at the Bank's Purchase Price.	4.	Bank then pays Customer in the form of commodity.	5.	Subsequently, the Customer will appoint the Bank as an agent to sell the commodity to another broker. Immediately, upon conclusion of the akad with the Customer, a copy of e-certificate generated from the Ableace Raakin platform will be submitted to TFC.	6.	Bank then sells the commodity to Broker B via Ableace Raakin system.	7.	Upon receipt of the e-certificate and confirmation of the akad (via e-mail), TFC will proceed with disbursement to the Customer's account. Letter of confirmation on the commodity trading transactions will be couriered by TFC to the Customer.
Steps	Descriptions																	
1.	Upon obtaining the relevant documents from the Customer, the Bank then shall check on the instruction and ensure that all documents are in order. If they are in order, TFC shall proceed to instruct the Trading Unit to perform the commodity trading by submitting the following documents to the Trading Unit :- (i) Purchase Requisition Form (ii) Letter of Agency																	
2.	Trading Unit shall purchase the commodity from Broker A (Supplier) at the Bank's Purchase Price (BPP).																	
3.	Bank purchases the customer's debt at the Bank's Purchase Price.																	
4.	Bank then pays Customer in the form of commodity.																	
5.	Subsequently, the Customer will appoint the Bank as an agent to sell the commodity to another broker. Immediately, upon conclusion of the akad with the Customer, a copy of e-certificate generated from the Ableace Raakin platform will be submitted to TFC.																	
6.	Bank then sells the commodity to Broker B via Ableace Raakin system.																	
7.	Upon receipt of the e-certificate and confirmation of the akad (via e-mail), TFC will proceed with disbursement to the Customer's account. Letter of confirmation on the commodity trading transactions will be couriered by TFC to the Customer.																	
<p>9.</p>	<p>Trade Line</p>	<p>Customer is required to have an existing or pre-approved trade line with the Bank prior to the utilization of Bills Purchased-i.</p>																
<p>10.</p>	<p>Financing Limit</p>	<p>Subject to the Bank's prevailing credit policy and credit approval.</p>																
<p>11.</p>	<p>Financing Tenor</p>	<p>a) <u>Sight Bills</u> Maximum of 30 days b) <u>Usance Bills</u> Based on maturity date with maximum up to 180 days</p>																
<p>12.</p>	<p>Transit Period</p>	<p>a) <u>Sight Bills</u> 30 days b) <u>Usance Bills</u> 7 days from the maturity date of the bill</p>																

13.	Pricing	Pricing for financing is to be charged based on Bills Purchased-i rate offered to Customer. The profit charged shall be fixed throughout the financing period.															
14.	Commission	0.1% flat with minimum at RM 10.00 and subject to :- <ul style="list-style-type: none"> • Foreign Bill : Maximum at RM 100 • Domestic Bill : Maximum at RM 500 															
15.	Payment Type	<ul style="list-style-type: none"> • The profit, commission and related fees and charges shall be taken upfront. • The net proceeds must be paid upon maturity via bullet payment. The amount shall then be deducted from the customer's account with the Bank. 															
16.	Bank's Purchase Price (BPP)	$BPP = FV \left[1 - \frac{(r \times t)}{36,500} \right]$ <p>BPP = Sale proceeds FV = Face or maturity value r = Profit rate t = Period of financing(Usance) /Standard Transit Period (Sight)</p>															
17.	Fees and charges	<ul style="list-style-type: none"> • Brokerage Fee on pro-rate basis to be imposed (brokerage fee imposed by broker). <ul style="list-style-type: none"> ✓ For SME customers, the brokerage fee shall be at *RM 5.00 per RM1.0 million transactions. ✓ For corporate customers, the brokerage fee shall be at *RM10.00 per RM1.0 million transactions. • Other fees and charges will be as per existing Bank's standard fees and charges tariff. <p>*Note:</p> <ul style="list-style-type: none"> • Brokerage Fee is subject to change from time to time as quoted by the commodity provider. 															
18.	Documentation	The Bank will adopt standardized documents for this products, as follows: 1. Letter of Offer 2. Trade Finance Facility Agreement <ul style="list-style-type: none"> • Purchase Requisition • Agency Letter 															
19.	Facility Code	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #cccccc;"> <th style="text-align: center;">Facility Code</th> <th style="text-align: center;">Facility Type</th> <th style="text-align: center;">Description</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">830</td> <td style="text-align: center;">DBP-i (S)</td> <td>Domestic Bill Purchased-i (Sight)</td> </tr> <tr> <td style="text-align: center;">832</td> <td style="text-align: center;">DBP-i (U)</td> <td>Domestic Bill Purchased-i (Usance)</td> </tr> <tr> <td style="text-align: center;">834</td> <td style="text-align: center;">FBP-i (S)</td> <td>Foreign Bill Purchased-i (Sight)</td> </tr> <tr> <td style="text-align: center;">836</td> <td style="text-align: center;">FBP-i (U)</td> <td>Foreign Bill Purchased-i (Usance)</td> </tr> </tbody> </table>	Facility Code	Facility Type	Description	830	DBP-i (S)	Domestic Bill Purchased-i (Sight)	832	DBP-i (U)	Domestic Bill Purchased-i (Usance)	834	FBP-i (S)	Foreign Bill Purchased-i (Sight)	836	FBP-i (U)	Foreign Bill Purchased-i (Usance)
Facility Code	Facility Type	Description															
830	DBP-i (S)	Domestic Bill Purchased-i (Sight)															
832	DBP-i (U)	Domestic Bill Purchased-i (Usance)															
834	FBP-i (S)	Foreign Bill Purchased-i (Sight)															
836	FBP-i (U)	Foreign Bill Purchased-i (Usance)															

20.	Contact Person and Number	<table border="1"> <thead> <tr> <th>Name</th> <th>Telephone Number</th> <th>Email Address</th> </tr> </thead> <tbody> <tr> <td>Siti Sarah Lukman</td> <td>03 2786 6705</td> <td>ssarahlukman@affinbank.com.my</td> </tr> <tr> <td>Ashmal Hafiz Ahmad Suhaimi</td> <td>03 2055 9823</td> <td>ashmal@affinbank.com.my</td> </tr> </tbody> </table>	Name	Telephone Number	Email Address	Siti Sarah Lukman	03 2786 6705	ssarahlukman@affinbank.com.my	Ashmal Hafiz Ahmad Suhaimi	03 2055 9823	ashmal@affinbank.com.my
		Name	Telephone Number	Email Address							
		Siti Sarah Lukman	03 2786 6705	ssarahlukman@affinbank.com.my							
Ashmal Hafiz Ahmad Suhaimi	03 2055 9823	ashmal@affinbank.com.my									
21.	Reference	Product Manual Bills Purchased-i									
22.	Other salient features	Other salient features of Bills Purchased-i shall refer to product manual of Bills Purchased-i.									

The information provided in this Quick Product Guide is valid as at 10 May 2019.