

Term Deposit-i Terms (Malaysia)

1. Introduction

- 1.1 These terms set out specific terms and conditions on which We agree to provide you with a Term Deposit-i (“TD-i”) account.
- 1.2 The TD-i is opened by Us under the concept of Murabahah subject to such other terms that may be communicated by Us to You.
- 1.3 Murabahah is a Syariah concept of cost plus profit where it involves You buying a commodity and then selling it at cost plus profit. You will receive the proceeds of Your sale in cash on deferred terms.
- 1.4 To the extent of any inconsistency between these terms in respect of TD-i and Our Standard Terms and/or Account Terms, these terms prevail.
- 1.5 Our TD-i is eligible for protection by Perbadanan Insurans Deposit Malaysia.

2. Definitions

Capitalised terms used but not defined in these Account Terms have the meanings set out in the Standard Terms and the Account Terms.

“Term Deposit-i” or “TD-i” means term deposit-i held in Your name with Us under the Syariah concept of Murabahah.

3. Choosing the account that is right for you

Our TD-i product is designed to suit your personal banking needs. If You need Us to explain any of the features of, or the terms applying to any TD-i, please contact Us at any of Our branches or Our service hotline.

4. TD-i

Placement

- 4.1 (i) You will have to deposit funds equivalent to the intended TD-i placement with Us to purchase the commodity.
- (ii) We will identify the commodity to be purchased by You
- (iii) We will then purchase the commodity on Your behalf.
- (iv) You may then sell the commodity to us at cost plus a profit to be agreed between Us (“Sale Price”).
- (v) You will be paid the Sale Price on deferred terms which is equivalent to the TD-i maturity date.

Bank as agent

- 4.2 You will appoint Us as Your agent to purchase a commodity We identify using Your funds intended for deposit placement. The purchase price of the commodity will be the same amount as Your deposit placement with Us. We will notify You once the commodity is purchased.

Delivery of commodity

- 4.3 Once You receive confirmation that we have purchased the commodity on your behalf, You have the option to take delivery and possession of the commodity by instructing Us to deliver the commodity to You. You must give Us Your instructions within such time as We may notify You. You will have to bear all charges related to taking delivery and possession of the commodity.

Purchase of commodity

- 4.4 If We do not receive Your instructions for delivery, We will take it that You intend to sell the commodity to Us and We accept the purchase of the commodity from You.
- 4.5 We will notify You of Our acceptance to purchase the commodity from You (including the amount of profit We will pay You) and the relevant deferred payment term, including the tenure, profit rate and maturity date.

Effective date

- 4.6 The effective date of the TD-i placement is on the date the commodity Murabahah transactions are carried out. This date may be different from the date We receive Your funds.

Minimum deposit

- 4.7 Each deposit placement in the TD-i account is subject to the minimum sum prescribed for the relevant deferred payment term or tenure as We may determine. You may enquire at any of Our branches, website or service hotline in that Service Location for further information on such minimum sums and available tenures.

Profit

- 4.8 Upon maturity of Your deposit placement, You will receive the proceeds of the sale, that is, the original deposit (principal) amount plus profit.

Premature upliftment

- 4.9 Any demand for early payment of the Sale Price before the maturity date of the deposit will be based on mutual agreement between You and Us. The Bank's agreement is subject to You providing *ibra'/rebate* on the sale proceeds based on the following calculations:

- (i) If the tenure of deposit is 3 months and below, You agree to provide *ibra'/rebate* on the total daily accrued profit;
- (ii) If the tenure of deposit is more than 3 months and withdrawal is made before the completion of 3 months, You agree to provide *ibra'/rebate* on the total daily accrued profit;
- (iii) If the tenure of deposit is more than 3 months and withdrawal is made after completion of 3 months, You agree to provide *ibra'/rebate* calculated as below:

$$\begin{aligned}
 \text{Ibra' / Rebate} = & \left[\frac{(\text{Purchase Price} \times \text{completed days})}{365 \text{ or } 366 \text{ days}} \times \text{Profit Rate} \times 50\% \right] \\
 & + \left[\frac{(\text{Purchase Price} \times \text{remaining days})}{365 \text{ or } 366 \text{ days}} \times \text{Profit Rate} \right]
 \end{aligned}$$

- 4.10 The settlement amount (withdrawal of the TD-i) is therefore:

$$\text{Payment Amount} = \text{Sale Price} - \text{Ibra' / Rebate (if any)}$$

Maturity

- 4.11 If a TD-i matures on a day which is not a banking day in Kuala Lumpur or in the country of the currency involved (for non-Ringgit deposits), then the date will be extended to the next banking day.
- 4.12 We only pay the proceeds of the sale to You at the branch where it was initially placed (unless We otherwise agree). You must instruct Us in writing (or any other way We agree to accept) before the maturity date (and in the case of foreign currency investment, at least 2 banking days before the maturity date) whether:
- You want to renew the TD-i; or
 - Us to pay You the proceeds of the sale on the maturity date.
- 4.12 Profit on the TD-i ceases to be payable after the maturity date unless the TD-i is renewed.
- 4.14 The commodity transaction will be performed after the TD-i placement. If the maturity is on a weekend or public holiday, it will be moved to the next working day.

Renewal

- 4.15 For the purpose of renewal of Your TD-i, based on Your renewal instructions or Your existing instructions provided during the initial placement of Your TD-i, You acknowledge that We will act on Your behalf as an Agent to purchase new commodity We identify using Your funds due to You from Us.
- 4.16 If You do not instruct Us, We may renew the TD-i for a similar term with profit at the prevailing board rate for such tenures as per existing instructions provided by You.
- 4.17 The prevailing terms for Us as agent as stated above shall apply for all renewals.
- 4.18 The prevailing terms for Us on the Purchase of commodity as stated above shall apply for all renewals.

5. Commodity Purchase

- 5.1 You agree and acknowledge that the TD-i Offer to Purchase Commodity Advice given to you is only an acknowledgement of your placement in the TD-i account and is not a document of title. Where the placement was placed via cheque, the receipt issued is subject to clearance of the relevant cheque and is not to be treated as confirmation that the said cheque has been cleared.