PRODUCT DISCLOSURE SHEET

Date : _____ (To be filled by Branches)

[Please read and understand the Product Disclosure Sheet together with the terms and conditions before you decide to apply or accept the offer of Fixed Return Islamic Account-*i*** (FRIA-***i***)]**

1.   What is the product about?

FRIA-*i* is an Islamic term deposit account for Customer aged 18 years and above where the profit rate is made known earlier to the Customer upon application.

2.   What Shariah concept is applicable?

A *tawarruq* consists of two sale and purchase contracts. The first involves the sale of an asset by a seller to a purchaser on a deferred basis. Subsequently, the purchaser of the first sale will sell the same asset to a third party on a cash and spot basis.

Under this arrangement, the Customer appoints the Bank to act as the Customer's agent to purchase the commodity from Commodity Trader (Broker A) in cash and subsequently the Customer will sell the commodity to the Bank under *Murabahah* contract (cost price plus profit) on deferred payment. The Bank will then sell the commodity to Commodity Trader (Broker B) in cash basis.

Upon placement made which is equivalent to the deposit amount to the Bank, the Bank undertakes (wa'd) to purchase the commodity from the Customer after the Bank (as Customer's agent) purchase the commodity from Commodity Trader. To show the seriousness of the undertaking given, deposit securities (*hamish jiddiyyah*) will be paid (if necessary) and after the purchase of commodity is completed, the security deposit will be counted as part of the Purchase Price to be paid by the Bank.

3.   What is the benefit of this product/facility?

The benefit of this product as per below:

Type of profit payment	• Upfront security deposit will be paid on the effective date of deposit.
	• Profit on monthly basis, half yearly, annually or maturity date will be paid on the due date (point to point) deposit.
	<u>Example of point to point</u>
	Tenure : 12 month
	Date of placement : 02/02/2014
	Date of maturity : 02/02/2015
Tenure	1,3,6,9,12,15,18,24,36,48 and 60 months
Minimum Initial Amount	

Tenure / Returns	**Individual**	**Non-Individual**
Upfront security deposit	RM 5,000	RM 50,000
1 month	RM 5,000	RM 50,000
3 months & above	RM 1,000	RM 50,000

Profit Rate	Predetermined fixed profit rate upon deposit placement

Note: Any changes is subject to the Bank's discretion

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4.	**What are the key terms and conditions that I should know?**

    i. Open for Individual and Non-Individual.

   ii. For premature withdrawal, calculation of profit to be paid to Customer is subject to reduced amount when the customer gives *ibra'* (rebate) to the Bank based on followings:

- Underline New Account:
  - a. Premature withdrawal within the period of 3 months from placement date and below; no profit shall be paid and the Customer is subject to brokerage fee with an additional of 6% GST on the said fee.
  - b. Premature withdrawal after 3 months from placement date but before maturity; the profit paid will be prorated according to the calculation formula prescribed by the Bank. *However, for Customer who receives upfront security deposit, the Customer only receive 50% of the total prorated profit.

- Underline Renewed Account:
  - a. Premature withdrawal within the period of 3 months from placement date and below; no profit shall be paid to the Customer and the Customer is not subject to brokerage fee.
  - b. Premature withdrawal after 3 months from placement date but before maturity; the profit paid will be prorated according to the calculation formula prescribed by the Bank. *However, for Customer who receives upfront security deposit, the Customer only receive 50% of the total prorated profit.

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*E.g.: Calculation of premature withdrawal after 3 months from the date of deposit for upfront security deposit.

Tenure : 12 month
Date of deposit of FRIA-*i*: 02/02/2014
Date of maturity of FRIA-*i* : 02/02/2015
Date of premature withdrawal : 02/06/2014

P	Principle of FRIA-*i*	:	RM5,000
T	Number of completed day	:	120
R	Profit rate	:	3.5%
K	Upfront security deposit	:	RM175.00

Formula: $P - K + (P \times R \times t / 365 \times 50\%)$

$= RM5,000 - RM175.00 + (RM5,000 \times 3.5\% \times 120/365 \times 50\%)$
$= \underline{RM4,853.77}$

  iii. Auto renewal is allowed. The Customer gives an authority to the Bank as a representative to renew the term deposit account on behalf of the Customer upon maturity. Auto renewal will be continued for 7 years. Therefore, the Customer shall personally present to the Bank to make renewal for the purpose of account activation during the period to prevent the money be transferred to the Registrar of Unclaimed Moneys.

Note: The terms and conditions are subject to change. The Bank will notify at least 21 days' notice before any changes take effect.

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

Type of Fees	Detail of Fee
Brokerage Fee	Brokerage fee at 0.05% on the total deposit or RM 50.00, whichever is lower, will be borne by the Bank. However this amount will be borne by customer in the event of early withdrawal, within three (3) months and below, from the date of deposit. Brokerage Fee charge is subject to GST at 6%.
Replacement of lost/ damaged Term Deposit Certificate	RM 5 per Certificate and the fee are subject to GST at 6%

Note :
- The bank will notify at least 21 days' notice before any changes made to the fees and charges.
- Please be informed that effective 1 April 2015, Goods and Services Tax ("GST") of 6% will be imposed on fees and charges (where applicable) for products and services offered by Agrobank.

6. What are the risks involved?
You are advised to carefully consider all risk factors before making a deposit placement decision. You may not get a full deferred sale price if a withdrawal is made before maturity.

7. What should I do if there are changes to my contact details?
It is important that you inform us of any change in your contact details to ensure that all correspondence reach you in a timely manner. To update your contact details, you may contact:
● Tel : 1-300-88-2476   ● Fax: 603-2691 7790 ● Email : customer@agrobank.com.my

8. Where can I get assistance and redress
- If you wish to complaint on the products or services provided by us, you may contact us at:
  Agrobank, Client Relationship Management, Bangunan Agrobank, Leboh Pasar Besar, Peti Surat 10815, 50726 Kuala Lumpur.
  ●Tel: 1-300-88-2476   ●Fax: 603-2691 7790   ●Email: customer@agrobank.com.my

- If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK or TELELINK at:
  Block D, Bank Negara Malaysia, Jalan Dato' Onn, 50480 Kuala Lumpur.
  ●Tel: 1-300-88-5465 ●Fax: 603-2174 1515 ●Email: bnmtelelink@bnm.gov.my

9. Where can I get further information?
For further information and any inquiries, please visit any nearby Agrobank branches or kindly contact us at:
Bangunan Agrobank, Leboh Pasar Besar, Peti Surat 10815, 50726 Kuala Lumpur
 ●Tel: 1-300-88-2476 ●Fax: 603-2691 7790 ● Email : customer@agrobank.com.my

10. If customers are interested with this product, what other product that may be preferred / relevant to the customers?
Fixed Return Islamic Account-*i* 45Plus (FRIA-*i* 45Plus).

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Disclaimer:

Customers should consider the advice from the Bank's Financial Adviser before deciding to accept this product. The terms and conditions indicated in this Product Disclosure Sheet are tentative/indicative only and not binding on the Bank. The final terms and conditions are as stipulated in the Terms and Conditions for Deposit Account.

The Personal Data Protection Act 2010 came into effect on 15 November 2013. Please visit our nearest branch or website www.agrobank.com.my if you have any enquiries.

I / We hereby accept and understand the contents of the above Product Disclosure Sheet as explanation given to me / us.		
Signature	:	
Name	:	
NRIC	:	
Date	:	

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