

**IMPORTANT/DISCLAIMER**

**THIS IS AN INVESTMENT ACCOUNT PRODUCT THAT IS TIED TO THE PERFORMANCE OF THE ALLOCATED ASSETS, AND IS NOT A DEPOSIT PRODUCT. THIS PRODUCT IS NOT INSURED BY THE MALAYSIAN DEPOSIT INSURANCE CORPORATION (PIDM).**

**PRODUCT DISCLOSURE SHEET**

Please read and understand this Product Disclosure Sheet together with the Terms and Conditions of the product before you apply and decide to accept iGain.

**iGAIN**

**24 SEPTEMBER 2018**

**BRIEF INFORMATION ON THE PRODUCT**
**1. What is this product about?**

<b>Product</b>	iGain
<b>Applicable Shariah Contract</b>	<p><b>Mudarabah:</b> A form of contract between the capital provider (<i>rabbul mal</i>) and an entrepreneur (<i>mudarib</i>) under which the <i>rabbul mal</i> provides capital to be managed by the <i>mudarib</i> and any profit generated from the capital is shared between the <i>rabbul mal</i> and <i>mudarib</i> according to mutually agreed profit sharing ratio whilst financial losses are borne by the <i>rabbul mal</i> provided that such losses are not due to the <i>mudarib</i>'s misconduct, negligence, or breach of specific terms.</p> <p>Under this iGain, the Investment Account Holder (IAH) as the capital provider (<i>rabbul mal</i>) shall provide capital to be managed by the Bank acting as the entrepreneur (<i>mudarib</i>) with a view of sharing profits arising from the investment activities managed by the Bank.</p>
<b>Type of Investment Account</b>	<p><b>Unrestricted Investment Account:</b> refers to a type of investment account where the IAH provides the Bank with the mandate to make the ultimate decision without specifying any particular restrictions or conditions.</p> <p><b>"Investment Account"</b> as defined under the Islamic Financial Services Act 2013 ("IFSA") means an account under which money is paid and accepted for the purposes of investment, including for the provision of finance, in accordance with Shariah on terms that there is no express or implied obligation to repay the money in full and –</p> <p>(a) either only the profits, or both the profits or losses, thereon shall be shared between the person paying the money and the person accepting the money; or</p> <p>(b) with or without any return.</p> <p>For the purpose of this iGain and based on the Shariah contract of <i>Mudarabah</i>, the IAH and the Bank will share any profits deriving from the investment activities managed by the Bank whilst financial losses will be borne by the IAH solely except for losses which are due to or arising from any act of misconduct, negligence or breach of specific terms by the Bank.</p>
<b>Parties Involved in the Investment Activities and Their Roles and Responsibilities</b>	The parties involved will be the IAH as capital provider and the Bank acting as entrepreneur. The Bank as the entrepreneur will be responsible to manage the capital provided by the IAH towards investment activities as it considers fit. The IAH will not be involved in the investment activities.
<b>Additional Features</b>	<ul style="list-style-type: none"> <li>The IAH may subscribe for Internet Banking or Mobile Banking (TAP) Services after opening iGain with Bank Islam.</li> <li>Issuance of cheque book is upon request by IAH.</li> </ul>

**PRODUCT SUITABILITY**

**2. Who is this product suitable for?**

<b>Target Market</b>	Individual <ul style="list-style-type: none"> <li>• Resident</li> <li>• Non-Resident</li> </ul>
<b>Risk on Investment</b>	Investment amount and return are not guaranteed.
<b>Period to Hold Investment</b>	No maturity date and flexible withdrawal.
<b>Investment Limit</b>	No investment limit.

**KEY PRODUCT FEATURES**

**3. What am I investing in?**

<b>Investment Objective, Strategy and Policy</b>	<b>Objective</b>	To provide the opportunity to the IAH with a combination of steady and recurring income, whilst at the same time allowing the balances to be placed and withdrawn via over the counter transactions, cheque, internet banking and etc.
	<b>Strategy</b>	The fund is categorized as low risk investment where the funds will be invested in House & Fixed Asset (HFA) portfolio of the Bank to generate stable income for the IAH.
	<b>Policy</b>	To manage the portfolio yield in a manner that is consistent with the Bank's liquidity needs, asset strategy and protection of IAH's investment principal.
<b>Risk Assessment on the Performance of the Investment Assets</b>	Proactive management of the retail financing asset portfolio and periodical performance reports of the investment portfolio can be viewed via Bank Islam's website.	
<b>Investment Amount</b>	Initial Investment	- Minimum RM1,000.00
	Subsequent Investment	- No minimum or maximum amount
<b>Minimum Balance in the Account</b>	RM1,000.00 (excluding applicable fees and charges imposed by the Bank)	
	<b>Note: IAH is required to maintain the minimum balance in the account at all times before issuing any cheque, transferring any fund or performing any transaction unless the account is to be closed.</b>	
<b>Investment Tenure</b>	No fixed minimum or maximum tenure.	

**Profit Sharing Ratio and Calculation**

Balance (RM)	Profit Sharing Ratio (PSR)	
	IAH (%)	Bank (%)
Below 50,000	4.01	95.99
50,000 – 100,000	34.46	65.54
Above 100,000	34.46	65.54
Dormant (regardless any balances)	2.40	97.60

**Formula:**

Daily Balance for the Month x Gross Rate (%) x PSR (%) x Number of Days in the Month/365

Where:

- Gross Rate = Annual gross rate of return ('R') is the rate in which the profit sharing for Mudarabah based investment is being made. The actual return paid to IAHS will be based on the agreed PSR on the prevailing "R".
- The gross rate of return changes at every 16th of the month.

**Sample of Profit Calculation:**

Date of Account Opened : 1/8/2018

Date of Month End : 31/8/2018

Number of Days in the Month : 31 days

Daily Balance		PSR (IAH:Bank)	Gross Rate (%)	Profit Calculation	Profit Proceeds (RM)
Date	RM				
1/8/18 to 10/8/18	40,000.00	4.01:95.99	6.32	RM40,000.00 x 6.32% x 4.01% x 10/365	2.78
11/8/18 to 19/8/18	20,000.00	4.01:95.99	6.32	RM20,000.00 x 6.32% x 4.01% x 9/365	1.25
20/8/18 to 31/8/18	70,000.00	34.46:65.54	6.32	RM70,000.00 x 6.32% x 34.46% x 12/365	50.12
<b>Total Profit Proceeds for the Month</b>					<b>54.15</b>

**Profit Payment Method**

Profit will be credited into IAH's account every month end or upon closing of the account.

**Key Terms and Conditions**

- The IAH shall maintain a minimum balance of RM1,000.00 (excluding applicable fees and charges imposed by the Bank) in the account at all times.
- There is no maturity. The IAH is free to withdraw, or increase the investment in the iGain at any time.

#### 4. What are the possible outcomes of my investment?

The IAH may gain from the positive performance of the dedicated secured retail financial asset portfolio as a result of the increased in the accrual profit earned.

The IAH may lose any part of or all of his/her investment in case of failure of the underlying investment portfolio to perform as expected.

Asset Proportion : House & Fixed Asset [HFA] Floating Rate

**iGain FUND 1**  
**Past Three (3) Years Performance Trend**

Months	Fund Size RM'000	Return on Asset (ROA) per annum (p.a.)
Jan - 18	105,634	6.31%
Feb - 18	263,610	6.32%
Mac - 18	495,209	5.67%

Return on Asset is at its best case when it achieves 6.32% p.a. The flat case is on 6.31% p.a. and it is at its worst case at 5.67% p.a..

**Important Notice: The above return on Asset (ROA) is based on past performance. Past performance of the investment is not an indication of its future performance.**

#### 5. What are the key risks associated with this product?

The Bank will apply risk management controls over portfolio, legal and operational activities; including asset allocation, liquidity adherence to investment objective and parameters, valuation, monitoring performance and others as guided in the BNM's Investment Account Policy. Notwithstanding the above, in times of adversity in the markets the Bank may revise its asset allocation to safeguard the investment portfolio provided that such strategy is within the investment objectives of the Fund.

As such, IAH are advised to carefully consider all risk factors before making an investment decision. IAH(s) may be exposed to the following risks:

- i. **Market risk:** refers to the potential impact of adverse price movements (e.g. profit rate, foreign exchange rates or equity prices, where applicable) on the economic value of an asset.
- ii. **Credit risk:** refers to the potential that the Bank fails to meet its obligations to IAH in accordance with agreed terms and conditions.
- iii. **Liquidity risk:** refers to the potential loss arising from the liquidity risk for IAH where there shall be lesser return and possible capital erosion.
- iv. **Operational risk:** refers to the potential loss resulting from inadequate or failed internal processes, people and systems or external events.
- v. **Legal risk:** IAH(s) should ensure that, in entering into this investment it is not in breach of any laws, regulations, contractual or any other legal limitations that may apply to IAH(s). This investment is issued subject to all applicable laws, regulations and guidelines. In the event of change in such laws, regulations or guidelines, Bank Islam may be obliged to change some or all the terms and conditions of the investment, including the possibility of an early termination.

## FEES & CHARGES

### 6. What are the fees and charges involved ?

Items	Charges	Rate / Amount
Early Closure of Account	Within 3 months	RM20.00
Dormant Account	With balances up to RM5.00	Account will be closed and the balance will be absorbed by the Bank as service charge.
Other Fees & Charges	As approved by the Bank Negara Malaysia (BNM). Please refer to the Bank's website at <a href="http://www.bankislam.com.my">www.bankislam.com.my</a> for the products/services related fees and charges.	

**Note:** The IAH agrees that the Bank shall be entitled to charge a fee for any of its services provided to the IAH at the rates imposed by the Bank (as approved by Bank Negara Malaysia and subject to Shariah rules and principles) and as set out in the PDS and/or at the Bank's website. The fees/charges are inclusive of 0% GST where applicable.

## VALUATIONS

### 7. Where valuations strategy and frequency are published?

Valuation will be carried out at minimum on monthly basis in line with the recognition and measurement criteria of the applicable Malaysian Financial Reporting Standards (MFRS). IAH(s) will be able to obtain information pertaining to the investment account from Bank Islam's website at <http://www.bankislam.com.my>

## CONTACT INFORMATION

### 8. Who should I contact for further information or to lodge a complaint?

- If you wish to make any queries or complaint on the products or services provided by us, you may contact us at:  
**Contact Centre & Feedback Channel**  
**Bank Islam Malaysia Berhad**  
 17th Floor, Menara Bank Islam  
 No 22, Jalan Perak,  
 50450 Kuala Lumpur  
 Tel: 03-2690 0900  
 Fax: 03-2782 1337  
 Email: [feedbackchannel@bankislam.com.my](mailto:feedbackchannel@bankislam.com.my) ; or
- If your query or complaints is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK or BNM TELELINK:
  - (a) via phone to: 1-300-88-5465 (1-300-88-LINK)
  - (b) via fax to : +603-2174 1515
  - (c) via email to : [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)
  - (d) via letter to : Laman Informasi Nasihat dan Khidmat (LINK)  
 Bank Negara Malaysia  
 P.O. Box 10922  
 50929 Kuala Lumpur

**Note:** Information contained herein is accurate as of the time of publishing and subject to change in accordance with applicable rules, regulations or guidelines issued by Bank Negara Malaysia from time to time.

### **WARNING:**

**THE RETURNS ON THIS INVESTMENT ACCOUNT DEPENDS ON THE PERFORMANCE OF THE ALLOCATED ASSETS. THE PRINCIPAL AND RETURNS ARE NOT GUARANTEED AND INVESTMENT ACCOUNT HOLDER RISKS EARNING NO RETURNS AT ALL OR LOSING PART OR THE ENTIRE PRINCIPAL SUM INVESTED. THIS INVESTMENT ACCOUNT IS NOT INSURED BY MALAYSIAN DEPOSIT INSURANCE CORPORATION (PIDM).**

*The information provided in this disclosure sheet is valid as at 24 September 2018.*