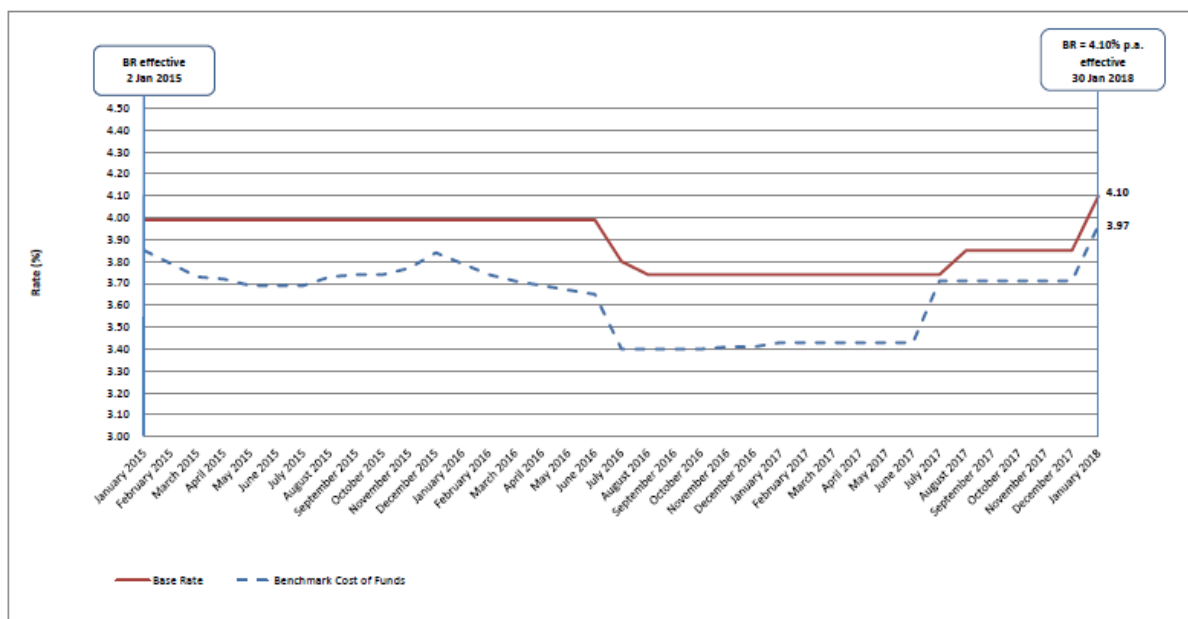


|   |  |
|---|--|
| <p><b>PRODUCT DISCLOSURE SHEET</b></p> <p>(Read this Product Disclosure Sheet before you decide to take the Affin Education Financing-i. Be sure to also read the terms in the Application Form, Letter of Offer together with Standard Terms and Conditions. Seek clarification from the Bank if you do not understand any part of this document or the general terms)</p>   | <p><b>ENGLISH VERSION</b></p> <p><b>Bank : Affin Islamic Bank Berhad</b></p> <p><b>Product : Affin Education Financing-i</b></p> |
| <p><b>1. What is this product about?</b></p>  |  |
| <p>Affin Education Financing-i is essentially an additional financial assistance to deserving students of <b>selected University / College</b> duly approved by the Bank to pursue studies for diploma, degree and post graduate programmes (Master's degrees &amp; Doctorates).</p>  |  |
| <p><b>2. What is the Shariah concept applicable?</b></p>  |  |
| <ul style="list-style-type: none"> <li>▪ <b>Affin Education Financing-i</b> is based on Ijarah of usufruct concept (leasing).</li> <li>▪ <i>Ijarah</i> refers to a contract that transfers ownership of a permitted usufruct and/or service for a specified period in exchange for a specified consideration.</li> <li>▪ The ijarah contract which is executed for an underlying asset herein refers as “coursework programme” as a well defined services / benefits undertaken by the lessor to be delivered to the lessee (student) according to agreed specific time frame.</li> </ul>   |  |
| <p><b>3. What is the Base Rate (BR)?</b></p>  |  |
| <p>The new Reference Rate Framework introduced by Bank Negara Malaysia aims to provide a more transparent reference rate to enable better decision by consumers in making choices among the many loan/financing products offered by financial institutions. Under this framework, the Base Rate (BR) will replace the Base Lending Rate (BLR) and Base Financing Rate (BFR) as the main reference rate for new retail floating rate loan/financing effective 2nd January 2015. The Bank’s BR is computed based on its benchmark cost of funds and the Statutory Reserve Requirement (SRR) cost, and is applicable for both conventional loan and Shariah-compliant financing.</p> |  |
| <p><b>4. What are possible scenarios to trigger a change in the BR?</b></p>   |  |
| <p>The BR can rise or fall due to changes in monetary policy such as the Overnight Policy Rate (OPR) as decided by the Monetary Policy Committee of Bank Negara Malaysia, as well as other factors such as changes in funding conditions.</p>   |  |

## 5. Historical benchmark Cost of Fund (COF) since January 2015:



## 6. What do I get from this product?

The product features of this product are as follows :

|                         |   |
|-------------------------|---|
| <b>Eligibility</b>      | <p>(i) Student (Main applicant)</p> <ul style="list-style-type: none"> <li>• Age between 18 years old to 45 years old</li> <li>• Applicable for full and part time students, new in-take or existing students</li> <li>• For part time student, the application will be accepted, with or without joint applicants.</li> <li>• Open to all Diploma and Degree and post graduate programme student (Master's degrees &amp; Doctorates).</li> </ul> <p>(ii) Parent/Spouse/Siblings/ Guardian (Co-applicant)</p> <ul style="list-style-type: none"> <li>• Malaysian citizen</li> <li>• Age between 21 years old and above</li> <li>• Minimum annual income of RM24,000.00</li> </ul> |
| <b>Ujrah</b>            | BR+4.00% p.a. - monthly rest<br>(Current BR=4.10%, thus rate charged ERR=8.10%)   |
| <b>Tenure</b>           | Up to 15 years or age of 60 years old (whichever is earlier)  |
| <b>Financing Amount</b> | <p>Minimum financing amount : RM5,000</p> <p>Maximum financing amount : RM150,000</p> <p><b>Note:</b><br/><b>The financing amount is based on the Coursework Fee offered by the University / College</b></p>  |

|  |  |
|--|--|
| <b>Ceiling Rate</b>                        | 10.00% p.a.  |
| <b>Margin of Financing</b>                 | Up to 90% of Coursework Fee OR up to remaining unsponsored amount by other third parties (i.e. PTPTN/MARA), whichever is lower, plus 5% for RTT*<br><br><i>*Applicable if RTT is to be financed by the Bank.</i>   |
| <b>Commencement Of Monthly Installment</b> | (i) The customer has to serve the monthly ujah during the grace period. Thereafter to commence of the monthly installment once the grace period is expiry or upon completion of study period, whichever is earlier<br>(ii) Any termination of student from the programme for whatever reasons the monthly installment will commence immediately upon notification from the University/College. |
| <b>Other Terms and Conditions</b>          | (i) The disbursement is made directly to the University on partially basis (per semester).<br>(ii) Universities to inform the Bank immediately on the termination of the student from the programme.   |

## 7. What are my obligations?

- During the period where the financing is partially disbursed (by semester), the Customer is **only required** to pay ujah servicing which commensurate with the amount disbursed during the period.
- Customer is required to pay the full installment amount upon full disbursement of the facility.

### **Example:**

Coursework Programme Fees : RM100,000.00

Total Financing Amount : RM80,000.00

Margin of finance : 80%

Tenure : 10 years

Ujah : BR+4.00% p.a. = ERR 8.10% p.a.

Monthly instalment : RM974.85

The total amount you have to pay is RM116,982. \*

**\*Note: Total payment amount may vary subject to Base Rate (BR) changes. Effective 30th January 2018, the revised BR is 4.10% p.a.**

## 8. What are the fees and charges I have to pay?

| Type of Fee / Charge   | Details of Fee / Charge              |
|--|--------------------------------------|
| Stamp Duty   | As per Stamp Act 1949 (Revised 1989) |
| Security document retrieval fee<br>(per request – for complete set of documents) | RM31.80                              |
| Additional financing statement (per request)                                     | RM10.60                              |
| Bankers Cheque   | RM5.30                               |

**Note:**

- i. As a GST registered company, AFFIN ISLAMIC will be charging GST at 6% for all taxable supplies made to you on 1<sup>st</sup> April 2015 onwards.
- ii. We will communicate to you at least 21 calendar days prior to the effective date of implementation if there are any changes in fees and charges that applicable to your financing facility.
- iii. As per all other terms and conditions in the Letter of Offer.

## 9. What if I fail to fulfill my obligations?

- Before maturity of the Facility

A sum equivalent to one per centum (1%) per annum on overdue installment(s) until date of full payment;

$$= \text{Overdue installment} \times 1.0\% \times \frac{\text{no. of days overdue}}{365}$$

- Upon maturity of the Facility

A sum equivalent to the prevailing daily overnight Islamic Interbank Money Market Rate on outstanding principal balance i.e. outstanding Selling Price/Rental less *ibra'* (if any);

$$= \text{Outstanding principal} \times \text{prevailing IIMM} \times \frac{\text{no. of days overdue}}{365}$$

- The Bank may set-off any credit balance in account maintained with us against any outstanding balance in this facility account which we will notify you at least 7 calendar days in advance.
- Legal action will be taken if you fail to respond to reminder notices. You will have to bear all costs and responsible to settle any shortfall after legal action has been taken against you.
- Legal action against you may affect your credit rating leading to credit being more difficult or expensive to you.
- Please refer to other obligations stated in Bank's Application Form cum Letter of Offer and Standard Terms and Conditions.

#### 10. What if I fully settle the financing before its maturity?

The Bank does not impose a lock-in period for this facility and there is no fee imposed for early settlement before maturity. You shall purchase the Coursework Programme from the Bank at an Exercise Price.

Exercise Price formula :

Exercise Price Formula = Outstanding Principal + accrued and unpaid ujah + reasonable estimated cost + ownership expenses (if any) incurred by the Bank

Note:

- Accrued ujah is calculated on Effective ujah Rate of the outstanding principal being utilized.

#### 11. Do I need a guarantor or collateral?

- No guarantor or collateral is required.

#### 12. Do I need any Takaful coverage?

- Yes. You are highly encouraged to subscribe to Reducing Term Takaful (RTT), coverage for the whole financing tenure.
- In the event of death and total permanent disability, the Takaful will pay off all outstanding amount of your financing with the Bank. This will alleviate the burden of payment on your survivors or next of kin.

#### 13. What are the major risks?

- The ujah rate on this financing is floating and it is pegged to Base Rate (BR). The rate may change according to changes in the reference rates. An increase in ujah rate may result in higher monthly payment but it capped at ceiling ujah rate of 10.00% p.a.

#### 14. What do I need to 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 correspondences reach you in a timely manner.
- In accordance of Affin Islamic Bank's policy/guidelines and per standard security documents, any change of contact details has to be in writing duly signed off by the customer(s) and addressed to Affin Islamic Bank Berhad

#### 15. Where can I get assistance and redress?

- If you have difficulties in making payments, you should contact us earliest possible to discuss payment alternatives.

- If you wish to complain on the products or services provided by us, you may contact us at:

**AFFIN ISLAMIC BANK BERHAD**

12<sup>th</sup>, Floor, Menara Affin

80, Jalan Raja Chulan

50200 Kuala Lumpur

Tel : 03-20559900

Fax : 03-20261104

Email : [yourvoice@affinbank.com.my](mailto:yourvoice@affinbank.com.my)

- Alternatively, you may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counseling, financial education and debt restructuring for individuals. You can contact AKPK at:

**Tingkat 8, Maju Junction Mall**

**1001, Jalan Sultan Ismail,**

**50250 Kuala Lumpur.**

**Tel : 03-26167766**

**Email : [enquiry@akpk.org.my](mailto:enquiry@akpk.org.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 : 03-21741515

Email : [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)

#### 16. Where can I get further information?

- Please contact us at our nearest branch to you or call our Call Centre no. 03-55223000 or visit our web site [www.affinbank.com.my](http://www.affinbank.com.my) / [www.affinislamic.com.my](http://www.affinislamic.com.my) for further details.

#### 17. Other financing packages available

- Affin Hajj, Umrah and Ziarah Financing-i

**IMPORTANT NOTE:**

**LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU FAILS TO SERVICE THE MONTHLY INSTALMENT PAYMENT FOR YOUR FINANCING ON REGULAR BASIS**

**All calculations and information above are for illustration purpose only. All rates quoted above are subject to change without prior notice. Terms and conditions apply.**

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**Disclaimer:** This Product Disclosure Sheet is for information purposes only and does not constitute any advice on any matter discussed. All information and materials including those on services, products, financial information, data, text or other items are provided strictly 'as is', and 'as available' and is so provided for your information and reference only. Affin Islamic Bank does not guarantee the usefulness or adequacy of the information provided and shall not be liable for any errors and will not be responsible for the consequences of reliance upon any opinion or statement contained herein or for any omission. The precise terms and conditions of these products are specified in the Bank's Accounts and Services – Main Terms and Conditions and other terms and conditions applicable for these products (if any) which are available at Affin Islamic Bank's branches and at [www.affinbank.com.my](http://www.affinbank.com.my) / [www.affinislamic.com.my](http://www.affinislamic.com.my) . This Product Disclosure Sheet is confidential and may not be reproduced (in whole or in part) to any other person without the prior written permission of Affin Islamic Bank.

The information provided in this disclosure sheet is valid as at 16<sup>th</sup> February 2018