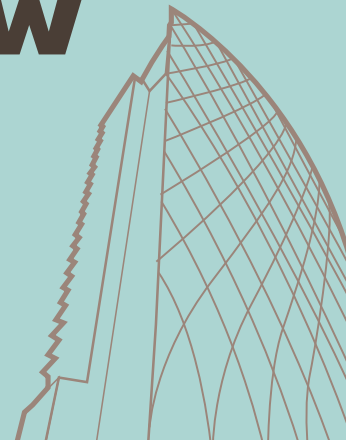


Reclassifying Islamic Deposits under the Islamic Financial Services Act 2013

What You Need to Know

*All information are subject to change but are
correct as of time of print (17 June 2014)*

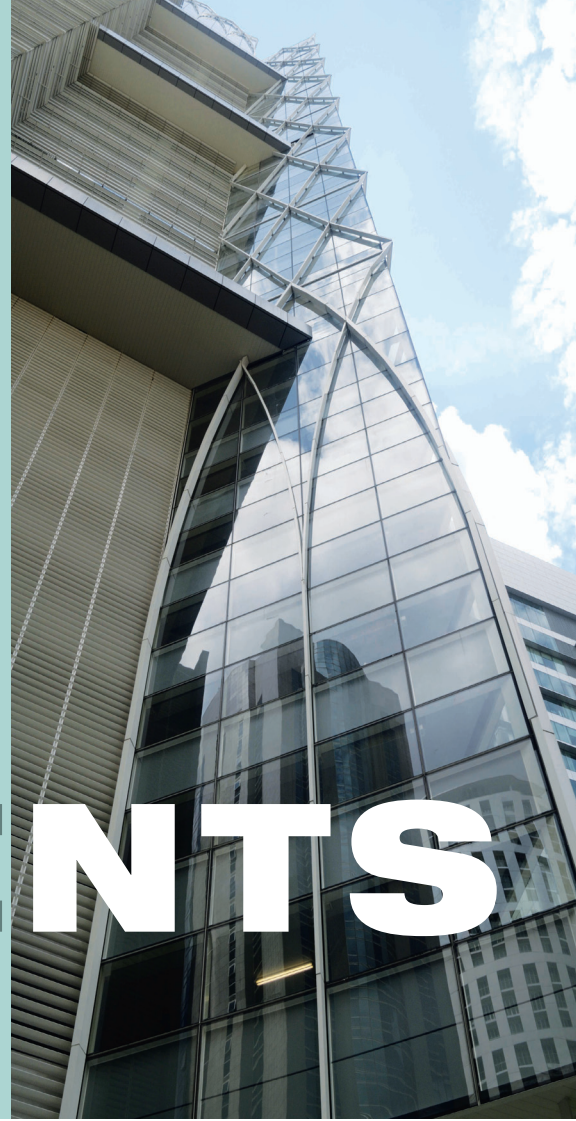


The background features a light blue architectural illustration. On the left, there is a tall, rectangular building with a grid-like facade. On the right, there is a more modern, angular building with a series of lines radiating from its base, suggesting a glass or steel structure. The text is centered over the left building.

Advancing in Accordance with Islamic Financial Services Act 2013

2	What is IFSA 2013?
4	How Does IFSA 2013 Affect You?
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What is IFSA 2013?

It's The Way Forward Towards More Responsible and Progressive Islamic Banking.

“ The timely introduction of the Islamic Financial Services Act 2013 (IFSA 2013) fortifies our nation's dynamic leadership in Islamic finance, as it advances the development of a robust end-to-end Shariah-compliant regulatory framework that will serve as a model for other countries. ”

Accelerated growth and innovation in the Islamic finance industry has resulted in a wide range of financing products and services. In order to ensure full Shariah compliance of these products, Bank Negara Malaysia (BNM) has strengthened the regulatory and supervisory framework of Islamic Banks with the enactment of the Islamic Financial Services Act (IFSA) 2013.

IFSA provides a comprehensive legal framework that is fully consistent with Shariah in all aspects of regulation and supervision. Its benefits include:

- Greater clarity and transparency on the fundamental requirements of Shariah that must be adhered to for contractual arrangements to remain enforceable;

- Strengthened business conduct and consumer protection requirements to promote consumer confidence in the use of financial services and products;
- Strengthened provisions for effective and early enforcement and supervisory intervention; and
- Clear outline of the operational requirements for the effective application of Shariah rules and principles in the conduct of Islamic financial institutions.

The timely introduction of IFSA fortifies our nation's dynamic leadership in Islamic finance, as it advances the development of a robust end-to-end Shariah-compliant regulatory framework that will serve as a model for other countries.

How does IFSA 2013 affect you?

“ Your savings account could be reclassified as an investment account. ”

All information are subject to change but are correct as of time of print (17 June 2014)



Under IFSA 2013, all existing Islamic deposit products that apply the Shariah contracts of Mudarabah, Musharakah and Wakalah will be classified as investment product effective from 30 June 2015.

This transition exercise is currently being carried out by Bank Islam. To the best of its ability, the Bank works to ensure that our customers can now convert their accounts at no additional costs,

and with minimal inconvenience and change in benefits. Where customers do not wish for their accounts to be converted, customers need to note the changes in contractual obligations and give their signed consent.

This guide has been prepared to help you understand the conversions that have been made to affected products under the Bank's portfolio.

NOTE:

If you are a business customer holding a Mudarabah and/or Wakalah based account, you are required to choose whether to place your fund in investment account or deposit account. If necessary, you will have to provide a new Board Resolution authorising the placement in the Investment Account.

If you are a retail customer holding a Mudarabah savings account, your account has been successfully converted to Wadiah Savings Account-i without any change to the account number.

Holders of non-individual accounts (religious bodies, schools, associations, etc) are required to provide extract of the decision at their respective meetings to migrate to investment account.

FEATURES OF DEPOSIT AND INVESTMENT ACCOUNT AFTER TRANSITION:

Islamic Deposit	Investment Account
Sum of money paid or accepted in accordance with Shariah	Money paid or accepted for purposes of investment
On terms that the sum of money will be repaid in full with or without gains or returns	Principal is secured by asset of the Bank whilst return is subject to the performance of the underlying portfolio.
Withdrawal on demand or at a certain time	Withdrawal at a certain time which includes unlimited withdrawal
Shariah contracts: Wadiah, Tawarruq, Bai'`Inah	Shariah contracts: Mudarabah, Musharakah, Wakalah, etc
	Requires customers to understand the risk profile
	Periodical disclosure of performance of the investment

FAQ on the Transition Plan

1. What is IFSA 2013?

IFSA 2013 is short form for Islamic Financial Services Act 2013. The Act was gazetted on 22 March 2013 and came into force on 30 June 2013 replacing the Islamic Banking Act 1983, Takaful Act 1984, Payment Systems Act 2003 and Exchange Control Act 1953. The Act provides for the comprehensive regulation and supervision of all activities of an Islamic financial institution (IFI) in order to promote financial stability and compliance with Shariah.

2. What are the features of deposit products under IFSA 2013 ?

IFSA 2013 specifically defines a deposit as a sum of money accepted or paid in accordance with Shariah, to be repaid in full, with or without any gains, return or any other consideration in money or money's worth, either on demand or at a time or in circumstances agreed by or on behalf of person making the payment and person accepting it. Therefore any deposit product must be principal guaranteed.

3. What are the features of investment products under IFSA 2013 ?

Under an investment account, 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:

- 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
- b. with or without any return.

Therefore any investment product is not principal guaranteed.

4. Who is affected by the transition plan?

Depositors and investors who hold Mudarabah and Wakalah based Current and Saving deposit and investment products.

5. What products are affected in the transition plan?

The following products are affected:

- Mudarabah based Savings Accounts including Wadi, Ijra', Pewani, Al Awfar and Labbaik
- Mudarabah General Investment Accounts
- Mudarabah Special Investment Account
- Wakalah based Investment Accounts i.e. Waheed-i

6. What is the Bank's new range of deposit products after the transition?

The following are the deposit products after transition:

- Wadiah Savings Account
- Wadiah Basic Savings Account
- Wadiah Current Account
- Wadiah Basic Current Account
- Term Deposit-i (Tawarruq) (TDT-i)
- Special Term Deposit-i Tawarruq (STDT-i)
- Negotiable Islamic Debt Certificate (NIDC)

7. What is the Bank's new range of investment products after the transition?

The following are the investment products after transition:

- Mudarabah Al Awfar Account (unlimited withdrawal) including Al Awfar Junior
- Mudarabah Al Awfar Investment Account (Term)
- Mudarabah Labbaik Account (unlimited withdrawal)

- Mudarabah General Investment Account
- Mudarabah Sakinah Investment Account
- Mudarabah Special Investment Account
- Wakalah Waheed Investment Account
- Dual Currency Investment-i (DCI-i)

8. What differentiates an investment account?

- Opening of an investment account is subject to suitability assessment on the investor to be performed by investment personnel.
- The return in an investment account commensurate with the risk.
- Investors should be advised to carefully consider all risk factors before making an investment decision.

9. How will customers be informed of the changes?

A Notice To Customers (NTC) will be released through myriad channels; i.e: Website, ATM Screen, Facebook page, SMS Blast, Current Account and Credit Card Account statements, Trade Confirmation and Letter to selected clients.

10. What is required by the affected customers?

- Business customers who hold Mudarabah and Wakalah based accounts are required to decide in placing their fund either in investment account or deposit account. If necessary, customers will have to provide a new Board Resolution authorising the placement in the Investment Account.
- Retail customers who hold Mudarabah savings account, your account has been successfully converted to Wadiah Savings Account-i without any change to the account number.
- Non-individual accounts (religious bodies, schools, associations, etc) are required to provide extract of the decision at their respective meetings to migrate to investment account.

11. Where can customers get further information?

Further information can be obtained from:

- Any Bank Islam branch
- Bank Islam Contact Centre at 03-26 900 900
- Bank Islam's website at: www.bankislam.com.my
- Bank Islam's Facebook page

Savings Account

SUMMARY

- Bank Islam will consolidate its existing nine types of savings accounts into two types of savings accounts, i.e. Wadiah Basic Savings Account & Wadiah Savings Account.
- Wadiah Basic Savings Account will be restricted to individual customers only.
- The Al Awfar, Al Awfar Junior and Labbaik savings accounts fall under the Investment Account category.
- The facilities under Savings Account products remain status quo. These include: ATM/Debit Card Facility, Salary Crediting, Sweeping Facility, Standing Instruction, Bill Payment, Internet Banking, TAP Mobile Banking, e-Debit, MEPS Cash, Inter-Bank Giro (IBG), Remittance and Access to Tabung Haji Account.
- Savings account is protected by the PIDM scheme.*

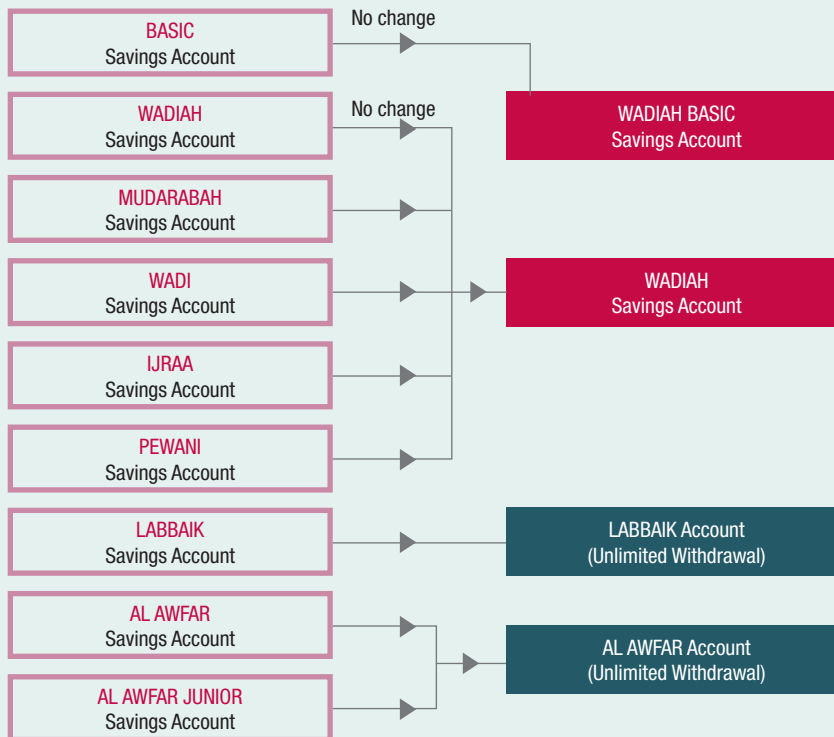
* Terms and conditions apply.

PIDM is a deposit insurance system established by the Government to protect depositors against the loss of their insured deposits placed with member institutions in the event of a member institution failure. PIDM protects your bank deposits and will promptly reimburse you on your insured deposits.



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SAVINGS ACCOUNT MIGRATION FLOWCHART



FAQ on Savings Accounts

1. What is the Shariah contract applied in Wadiah Savings Account and Wadiah Basic Savings Account?

The Shariah contract applied is Wadiah.

2. How does Wadiah work?

Under Wadiah, the deposit is placed in the Bank's custody and the depositor allows the Bank to utilise the money subject to the condition that the principal is guaranteed or to be repaid in full. The deposit is governed under the rules of Wadiah Yad Dhamanah (guaranteed safekeeping).

3. What is the minimum initial deposit, minimum account balance and subsequent deposit?

- Minimum initial deposit is RM100 (Wadiah Savings Account) and RM20 (Wadiah Basic Savings Account).
- Minimum account balance is RM10 (Wadiah Savings Account) and RM20 (Wadiah Basic Savings Account).
- Subsequent deposit is RM1 and above.

4. What is the withdrawal limit?

- Minimum withdrawal is RM1.
- Maximum RM10,000 limit per day across all Bank's channels (i.e. ATM/Internet Banking/Mobile Banking).
- No limit for maximum withdrawal at home branch.

5. How can customers withdraw without passbook?

- Customers can withdraw through the following methods:
 - Over the counter
 - ATM
 - Transfer (Internet Banking and TAP)
 - Debit advice

6. How can customers make deposit for their Savings Account?

- Deposit can be done through all channels:
 - Over the counter
 - Cash Deposit Machine
 - Internet Banking
 - Mobile Banking (TAP)

7. Can customers request for Debit Card?

Yes, Debit Cards are issued to customers aged 15 years and above.

8. Can customers request for TAP-Mobile Banking and Internet Banking services?

Yes, TAP-Mobile Banking and Internet Banking services are issued to customers aged 18 years and above.

Current Account

SUMMARY

- There will be no changes to the Current Accounts currently offered by the Bank:
 - Wadiah Current Account
 - Wadiah Basic Current Account
 - Wadiah Foreign Currency Account
- With effect from 2 January 2015, a new cheque processing fee of 50 sen will be charged per cheque issued in addition to the 15 sen stamp duty levied per cheque in tandem with the national agenda to promote e-payment.
- Principal is guaranteed for the Bank's Current Account products.



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CURRENT ACCOUNTS

- Wadiah Current Account
- Wadiah Basic Current Account
- Foreign Currency Account

TYPE OF ACCOUNTS

- Individual
- Non individual

**TYPE OF FACILITIES
(INDIVIDUAL)**

Cheque Book, ATM/Debit Card Facilities, Salary Crediting, Sweeping Facility, Standing Instruction, Bill Payment, Internet Banking, TAP-Mobile Banking, e-Debit, MEPS Cash, IBG, Cashline-i (Islamic Overdraft), Access to Tabung Haji Account

**TYPE OF FACILITIES
(NON INDIVIDUAL)**

Cheque Book, ATM/Debit Card Facilities (Sole proprietor only), Salary Crediting, Sweeping Facility, Standing Instruction, Bill Payment, Internet Banking, TAP-Mobile Banking (Sole proprietor only), e-Debit, MEPS Cash, IBG

PRINCIPAL GUARANTEED

Principal is guaranteed

PIDM PROTECTION

Current account is protected by the PIDM scheme*

* Terms and conditions apply.

Negotiable Islamic Debt Certificate (Term Deposit)

SUMMARY

- There will be no change to the current Negotiable Islamic Debt Certificate (NIDC) under the concept of Bai' Inah.
- Principal is guaranteed but not protected by the PIDM scheme.



All information are subject to change but are correct as of time of print (17 June 2014)

NEGOTIABLE ISLAMIC DEBT CERTIFICATE (NIDC)

TYPE OF ACCOUNTS	<ul style="list-style-type: none"> • Individual • Non individual
TYPE OF SHARIAH CONCEPT	• Bai' `Inah (Sale and Buy Back Agreement)
MINIMUM NOMINAL VALUE	Above RM60,000, or its equivalent if denominated in foreign currency.
PROFIT RATE	Negotiable
PROFIT PAYMENT FREQUENCY	Negotiable

DIAGRAM OF BAI' `INAH

1. Bank sells asset to customer on cash basis (Deposit Amount).



2. Bank purchases asset from customer on deferred basis (Deposit Amount + Profit).

Term Deposit-i (Tawarruq) (TDT-i)

Product Features	
Type of account	<ul style="list-style-type: none">• Individual• Non individual
Tenure	<ul style="list-style-type: none">• 1 – 60 months• For STDT-i: Negotiable
Initial deposit	<ul style="list-style-type: none">• RM1,000 for 1 month• RM500 for 2 months and above• For STDT-i: Negotiable
Profit payment frequency	<ul style="list-style-type: none">• Upon maturity• Interim profit payment (paid every 6 months for tenure 15 months and above)

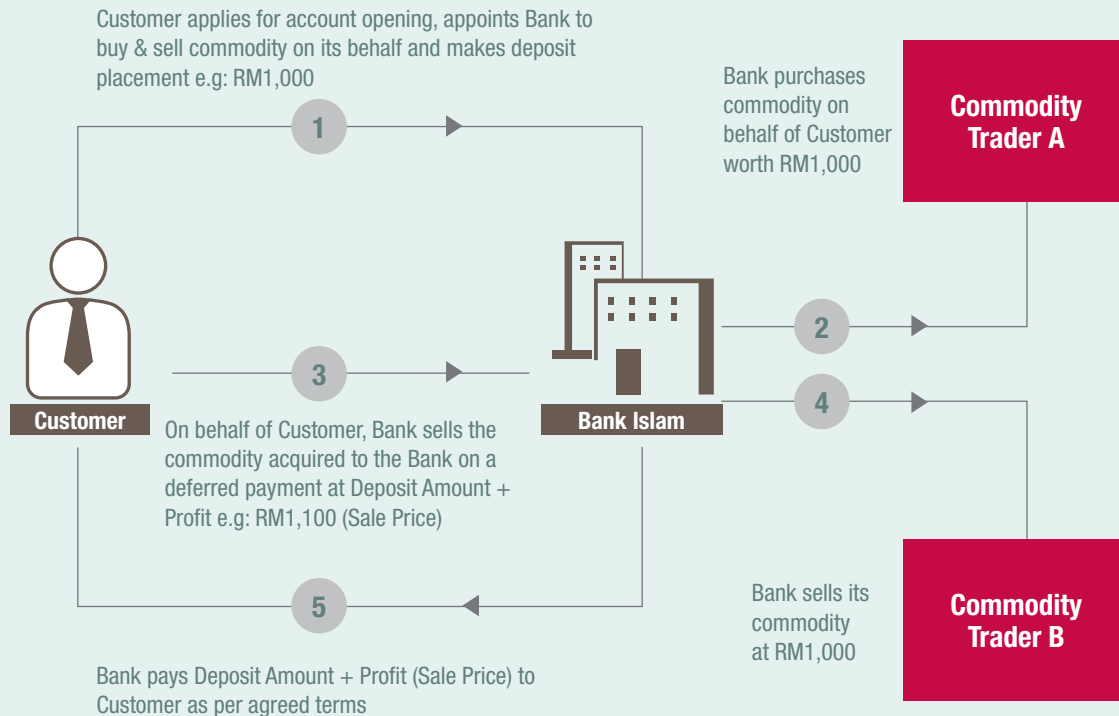
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Product Features	
Partial Withdrawal	Partial withdrawal is not allowed
Profit Disposition	Add to principal, IBG, RENTAS or transfer to CASA
Principal Guaranteed	Yes
PIDM Protection	Eligible for protection by the PIDM scheme*
Brokerage Fee	Absorbed by the Bank [commodity provider: Bursa Suq al-Sila' (BSAS)]
Goods and Services Tax (GST)	To be advised accordingly upon implementation

* Terms and conditions apply.

Term Deposit-i (Tawarruq) – Product Structure

All information are subject to change but are correct as of time of print (17 June 2014)



FAQ on Term Deposit-i (Tawarruq)

1. What is Term Deposit-i (Tawarruq) (TDT-i)?

TDT-i is a fixed rate term deposit account based on the Shariah concept of Tawarruq. The profit rate/return of TDT-i is contracted upfront comparable to fixed deposit. In comparison, the profit rate/return of investment accounts is determined upon maturity of the investment.

2. Why TDT-i?

It is an alternative deposit product for deposit accounts that are to be converted to investment accounts.

3. What is the initial deposit to open this account? Maximum deposit amount allowed?

- Initial deposit is RM1,000 for 1 month and RM500 for 2 months and above.
- There is no maximum deposit amount for Term Deposit-i (Tawarruq) account.
- For Special Term Deposit Tawarruq-i (STDT-i), it is negotiable.

4. What are the tenures available?

- The tenure starts from 1 month to 60 months.
- For STDT-i, it is negotiable.

All information are subject to change but are correct as of time of print (17 June 2014)

5. Can customers have more than one TDT-i account?

Yes, customers can open more than one TDT-i account at any given time.

6. What is the profit rate and when will customers receive the profit?

The profit rate is available on the day customers open the TDT-i account.

7. What is the method of profit payment?

Upon opening of account, customers will have a choice of profit payment i.e. credit into their current/savings account, IBG, RENTAS or renew the deposit amount and profit.

8. Can customers perform partial withdrawal before maturity?

Partial withdrawal is not allowed.

9. Is renewal of TDT-i allowed?

Customers may perform renewal of deposit amount only or deposit with profit.

Investment Account

SUMMARY

- Bank Islam will expand on its existing 5 types of investment accounts by introducing 2 new investment accounts.
- These accounts will be offered to Individual and Non-Individual.
- The existing 5 types of Investment Accounts will be maintained with some changes, which include;
 - Requirement for customers to understand the risk profile of the investment before making an investment decision.
 - Periodical disclosure on the performance of the investment.
 - Return on the investment will be based on the performance of the underlying asset.
- The new Al Awfar Account will have the following features:
 - Unlimited withdrawal
 - Invested against Bank's asset portfolio
 - No specific tenure
 - Monthly profit payment
 - Initial deposit of RM100
 - Monthly & Quarterly Prizes Draw
- The new Labbaik Account will have the following features:
 - Unlimited withdrawal
 - No specific tenure
 - Monthly profit payment
 - Initial deposit is to be based on the plan chosen by the customer
- Principal is secured by the assets of the Bank, whilst return is subject to the performance of the underlying portfolio.



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TYPES OF INVESTMENT ACCOUNTS

Investment Accounts	Tenure
Mudarabah General Investment Account Al Awfar Investment Account (Term)	Starting from 1-60 months (in multiple of 3 months)
Mudarabah Sakinah Investment Account	Starting from 12 to 60 months
Mudarabah Special Investment Account Wakalah Waheed Investment Account	Negotiable
Al Awfar Account (unlimited withdrawal) Labbaik Account (unlimited withdrawal)	No Specific Tenure

INITIAL DEPOSIT

- Initial deposit for Mudarabah General Investment Account & Al-Awfar Investment Account: RM1,000 (1 month) or RM500 (3 months & above).
- Initial deposit for Mudarabah Sakinah Investment Account: RM50,000.
- Initial deposit for Mudarabah Special and Wakalah Waheed Investment Accounts: Negotiable.
- Initial deposit for Al Awfar Account is RM100.
- Initial deposit for Labbaik Account is based on the plan chosen by the customer.

PROFIT PAYMENT

- Profit payment upon maturity for Mudarabah General Investment Account, Mudarabah Sakinah Investment Account, Mudarabah Special Investment Account, Wakalah Waheed Investment Accounts and Al Awfar Investment Account (Term).
- 6-month interim profit payment for Mudarabah General for tenure 15 months & above.
- Monthly profit payment for Al Awfar Account, Labbaik Account and Sakinah Investment Account-i

OTHER FEATURES

- Auto renewal is allowed.
- Monthly & Quarterly prize draw for Al Awfar Investment Account and Al Awfar Account.
- Unlimited withdrawals for Al Awfar and Labbaik Accounts.
- Partial withdrawal is not allowed.

FAQ on Investment Accounts

1. What are the types of Investment Accounts available in Bank Islam?

Types of Investment Accounts available are:

- Mudarabah General Investment Account
- Mudarabah Sakinah Investment Account
- Mudarabah Special Investment Account
- Wakalah Waheed Investment Account
- Al Awfar Investment Account (Term)
- Al Awfar Account (unlimited withdrawal)
- Labbaik Account (unlimited withdrawal)

2. What is the nature of an Investment Account?

- For Mudarabah:
Profit sharing/loss bearing. The return is based on the performance of the underlying assets.
- For Wakalah:
The return is based on the performance of the underlying assets.

3. What are the Shariah contracts applicable for these products?

Mudarabah and Wakalah contracts.

All information are subject to change but are correct as of time of print (17 June 2014)

4. What are the benefits of these products?

Products	Benefits
Al Awfar Account (unlimited withdrawal) Al Awfar Investment Account (Term)	<ul style="list-style-type: none">• Monthly and quarterly prize draw for Al Awfar Account and Al Awfar Investment Account• Profit is distributed based on profit-sharing ratio which was mutually agreed upon by the customer and the Bank, and based on performance of the underlying asset.
Mudarabah General Investment Account Mudarabah Sakinah Investment Account Mudarabah Special Investment Account	<ul style="list-style-type: none">• Profit is distributed based on profit-sharing ratio which was mutually agreed upon by the customer and the Bank, and based on performance of the underlying asset.
Wakalah Waheed Investment Account	<ul style="list-style-type: none">• When actual return is above the expected return indicated at inception, only expected return is paid. The excess profit will be given to the Bank as performance incentive.• When actual return is below the expected, the Bank is only obliged to pay the actual return. However, the Bank may pay the full amount of expected return.
Labbaik Account (unlimited withdrawal)	<ul style="list-style-type: none">• Takaful coverage and badal Haji for account holder

5. Is withdrawal permitted without a certificate?

A certificate must be presented for withdrawal.

6. What are the risks involved?

- The return on the investment varies depending on the outcome of one or more market factors, including the possibility that the return may be substantially less than expected, or that there is no return at all.
- Principal is not guaranteed.

7. Are the funds under these products protected by the PIDM scheme?

The funds are not protected by the PIDM scheme.

8. What are the fees and charges payable?

Products	Fees and charges	
<ul style="list-style-type: none"> Mudarabah General Investment Account Mudarabah Sakinah Investment Account Mudarabah Special Investment Account Al Awfar Investment Account (Term) 	Replacement of lost certificate: Stamp Duty of RM10 will be charged for the Indemnity Letter regardless of the amount	
<ul style="list-style-type: none"> Al Awfar Account (unlimited withdrawal) Labbaik Account (unlimited withdrawal) 	Service Required	Fees and charges
	Replacement of Passbook due to loss	RM10 indemnity (Stamp Duty) + RM3
	Replacement due to Theft/Robbery	RM10 indemnity (Stamp Duty) only (police report required)
	Replacement due to poor handling	RM3
	Statement Request	RM5 per page

Products	Service Required	Fees and charges
<ul style="list-style-type: none"> • Al Awfar Account (unlimited withdrawal) • Labbaik Account (unlimited withdrawal) 	Early Closure of Savings Account (within 3 months)	RM20
	Dormant Account: CASA with more than RM10 balance	RM10 annually until account turns unclaimed
	Dormant Account: CASA with less than RM10 balance	Balance to be absorbed and account closed
	Replacement of ATM/Debit Card	ATM Card: RM8 Debit Card: RM12
	Coin Deposit to Business Account	1st RM100: Free of charge Every subsequent RM100: RM2



Your Next Steps

“

Plan how best you want your funds to work for you.

”

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If you currently have a Mudarabah or Wakalah based account*, you have the privileges to choose between these two options:

1. You can maintain your existing accounts with the new investment features; OR
2. You can OPT for a deposit or term deposit accounts based on Wadiah, Tawarruq or Bai'`Inah concepts.

If you prefer an attractive profit bearing account, you can choose our Term Deposit-i (Tawarruq) and/or any other investment account with various maturity tenures.

If you require flexibility and easy access to your funds, our Al-Awfar Account, Wadiah Savings Account and Wadiah Current Account can serve you well. You can also enjoy the opportunity to win valuable cash prizes up to RM100,000 and RM200,000 in our monthly and quarterly draws with Al-Awfar Account.

To easily access your fund, visit any of our branches, 1200 self-service terminals nationwide or just sit back and relax at home while performing transactions via our TAP Mobile Banking-i and Internet Banking.

** Affected accounts are as follows: Al Awfar and Labbaik Savings Accounts, General Investment Account, Special Investment Account and Waheed-i Investment Accounts*



Choosing Bank Islam's Deposit & Investment Products – What You Need To Do

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correct as of time of print (17 June 2014)*

Deposit Products – The range of capital guaranteed deposit products in Bank Islam are:

1. Wadiah Savings Account
2. Wadiah Basic Savings Account
3. Wadiah Current Account
4. Wadiah Basic Current Account
5. Term Deposit Tawarruq-i (TDT-i).

What you need to know when choosing a Deposit product

For products 1 – 4, you may easily access your funds at any time using our TAP Mobile Banking-i and Internet Banking. All deposit products are principal protected by PIDM up to RM250,000 (terms and conditions apply). The Bank, at its sole discretion may reward with a portion of profit generated from the utilisation of the fund to the depositor as Hibah.

If you opt for Term Deposit-i Tawarruq (TDT-i) which is a term deposit product, you may choose to place your funds in short, middle or long-term tenures running from 1 month up to 60 months, depending on your financial requirement. The attractive profit rates are fixed upfront and you will be able to enjoy the profit on the maturity of the tenures.

Just visit any of our branches to open your TDT-i account.

If You Choose A Deposit Account; You Will Need To Submit The Following

- a. MyKad/Passport
- b. Driving license (if required)
- c. Birth Cert (if required)
- d. Work Permit/Student Visa (if required)
- e. Letter from Employer/University/College/ Others (if required)

New Investment Products (Mudarabah)

Bank Islam offers a range of Investment Account products running from maturity-based Investment Account to unlimited withdrawal Investment Account.

The 5 types of Investment accounts (IA) offered are:

1. Al-Awfar Account (unlimited withdrawal)
2. Labbaik Account (unlimited withdrawal)
3. Al-Awfar Investment Account (Term)
4. Mudarabah General Investment Account
5. Mudarabah Sakinah Investment Account

Al-Awfar Account operates as a term investment with unlimited withdrawal feature and a monthly and quarterly valuable cash prizes to be won. Al-Awfar Investment Account on the other hand, also offers the same cash prize with the difference of tenures.

Labbaik Account-i comes with the 'Badal Hajj' features, besides unlimited withdrawal which allow customers to save for Hajj.

Our General Investment Account is a profit sharing investment account that pays profit on maturity and half yearly for tenures 15 months and above.

If you choose an investment account; you will need to submit the following:

- a. MyKad/Passport
- b. Driving license (if required)
- c. Birth Cert (if required)
- d. Work Permit / Student Visa (if required)
- e. Letter from Employer/University/College/ Others (if required)

Treasury Products

Bank Islam offers a range of Treasury Deposit Products with competitive rates that apply the concepts of Bai' `Inah & Tawarruq:

- a. Negotiable Islamic Certificate of Debt (NIDC)
 - A deposit product, NIDC is an Islamic negotiable instrument. The applicable Shariah concept is Bai' `Inah.
- b. Special Term Deposit-i Tawarruq (STDT-i)
 - A deposit product with a fixed term and fixed profit rate. The profit rate is fixed upfront. The applicable Shariah concept is Tawarruq.

If you choose to open a deposit account, you will need to submit the following documents:

- a. CIF Form.
- b. Deposit form (STDT-i). (Applicable for STDT-i placement only)

- c. A copy of the certified Board of Directors resolution to transact the account.
- d. A copy of a Memorandum and Articles of Association certified by the Secretary.
- e. Certificate of Incorporation or Certificate of Authority from the Registrar of Business.
- f. A list of names of directors and the name of the secretary with their addresses, Form 49, if applicable.
- g. The shareholders of the company, Form 24, if applicable.
- h. List of authorised officers or dealers to transact.

Bank Islam offers a range of Treasury Investment Products with competitive rates that apply the concepts of Mudarabah & Wakalah

- a. Mudarabah Special Investment Account (MSIA) – In an MSIA account, one may invest a sum of money with Bank Islam and profit (if any) is payable on every interim profit payment date/at maturity (where applicable). The amount of actual profit will only be known on maturity date based on prevailing gross return for the contracted profit sharing ratio. The applicable Shariah concept is Mudarabah (profit sharing, loss bearing).
- b. Wakalah Waheed Investment Account (WWIA) – In a WWIA account, one may invest money with Bank Islam under the contract of Wakalah (Agency) with the objective of making a profit. Bank Islam will inform investment account holder of the Expected Rate of Return on their investment at inception.

If you choose to open an investment account, you will need to submit the following documents:

- a. CIF Form.
- b. Suitability Assessment Form (applicable for Small Medium Enterprise – SME only).
- c. Investment Account Application Form
- d. Wakalah Waheed Investment Account Application Form (for WWIA placement only).
- e. A copy of the certified Board of Directors resolution to transact the account.
- f. A copy of a Memorandum and Articles of Association certified by the Secretary.
- g. Certificate of Incorporation or Certificate of Authority from the Registrar of Business.
- h. A list of names of directors and the name of the secretary with their addresses, Form 49, if applicable.
- i. The shareholders of the company, Form 24, if applicable.
- j. List of authorised officers or dealers to transact.

Terms Definition

SHARIAH CONTRACTS/CONCEPTS FOR DEPOSIT ACCOUNTS

Tawarruq refers to an arrangement that involves sale of an asset to the purchaser on a deferred basis and subsequent sale of the asset by the purchaser to a third party to obtain cash.

Wadiah refers to an arrangement where the deposit is placed in the Bank's custody and the depositor allows the Bank to utilise the money subject to the condition that the principal is guaranteed or to be repaid in full, with or without any gains or return.

Bai' `Inah is an arrangement that involves sale of an asset to the purchaser on a cash basis and subsequent purchase of the asset at a deferred price higher than the cash sale price which complies with the specific requirements of Bai' `Inah.

SHARIAH CONTRACTS/CONCEPTS FOR INVESTMENT ACCOUNTS

Musharakah refers to a partnership between two or more parties, which may take effect through contractual relationship ('aqd) or by operation of Islamic law, whereby all contracting parties will share the profit and bear loss from the partnership.

Mudarabah is a contract between a rabbul mal (capital provider) and a mudarib (fund manager) under which the rabbul mal provides capital to be managed by the mudarib and any profit generated from the capital is shared between the rabbul mal and mudarib according to mutually agreed profit sharing ratio whilst financial losses are borne by the rabbul mal provided that such losses are not due to the mudarib's misconduct, negligence or breach of specified terms.

Wakalah refers to a contract in which a party (muwakkil) authorises another party as his agent (wakil) to perform a particular task, in matters that may be delegated, either voluntarily or with imposition of a fee.



BANK ISLAM

All information are
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www.bankislam.com.my

Bank Islam Malaysia Berhad

(98127-X)

Level 32, Menara Bank Islam

No. 22, Jalan Perak

50450 Kuala Lumpur

Tel (6)03 2088 8000

Fax (6)03 2088 8033