

PRODUCT INFORMATION SHEET	OCBC Al-Amin Bank Berhad
Please read this Product Information Sheet before you decide to take up the Time Deposit-i. Be sure to also read the general terms and conditions.	Time Deposit-i
	30 March 2017

### What is this product about?

The Time Deposit-i ("TD-i") is a cash deposit product with profit payable at maturity for placement of 12 months and below or profit payable every month until maturity date (for placement above 12 months) denominated in Ringgit Malaysia (MYR), United States Dollar (USD), Singapore Dollar (SGD) or Great Britain Pound (GBP).

The deposit is covered by the Malaysia Deposit Insurance Corporation (PIDM).

### What is/are the applicable Shariah concept(s)?

This product is based on the Shariah principle of Tawarruq which 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, for the purpose of obtaining cash.

Each sale and purchase contract in the Tawarruq is binding in nature and shall not be terminated unilaterally by any of the contracting parties. The common inherent nature of each sale and purchase contract in the Tawarruq is the transfer of ownership of the asset from the seller to the purchaser for a consideration

The currency conversion during placement or withdrawal of the deposit is pursuant to Bai' al-Sarf which means buying and selling of currencies.

Mechanics of products as follows:

- The Tawarruq transaction shall be conducted through dual agency arrangement. Under this arrangement, OCBC Al-Amin will act as customer's agent (customer's wakil) to conclude the Tawarruq transaction. Customer is the seller and OCBC Al-Amin as purchaser of commodities where the price is payable on deferred (maturity). The detail explanation as follows:
  - Customer deposits funds\* with OCBC Al-Amin Bank Berhad (OCBC Al-Amin) and appoints OCBC Al-Amin as the customers' agent to purchase commodity. The commodity will be Crude Palm Oil ("CPO") or such other Shariah compliant non-Ribawi commodity as determined by OCBC Al-Amin.  
\*Customers Funds : Customer's Purchase Price
  - OCBC Al-Amin purchases commodity as the customers' agent from a broker at spot. If there is no request of physical delivery of the commodity, the customer authorises and appoints OCBC Al-Amin as agent to sell the commodities to any party including to OCBC Al-Amin itself when the Customer has constructive possession (Qabd al-Hukmi) of the commodity at an amount equivalent to Bank's Purchase Price. OCBC Al-Amin then purchases the commodity from the customer at cost plus profit\*\* which is to be paid on the specific deferred payment date.  
\*\*Cost plus profit : Bank's Purchase Price
  - Upon deferred payment date, OCBC Al-Amin will pay the customer the Bank's Purchase Price which consists of cost (principal) plus profit.

### What do I get from this product?

Time Deposit-i (Ringgit Malaysia)

- Minimum deposit of RM5,000 for 1-month placement; and RM1,000 for 2 to 60-months placement.
- Tenures are quoted in multiple of 1-month up to a period of 60 months.

#### Time Deposit-i (Foreign Currency)

- Minimum deposit of 10,000-00 in equivalent currency for USD & SGD or GBP5,000-00 for GBP for all tenures.
- Tenures available are 1-month, 2-months, 3-months, 6-months, 9-months, and 12-months.

Customer's profit/returns under TD-i is fixed upfront (based on 'cost plus profit') hence provides added assurance of contracted returns.

Latest profit rates can be obtained from [www.ocbc.com.my](http://www.ocbc.com.my) or the nearest OCBC Al-Amin Bank Berhad and OCBC Bank (Malaysia) Berhad branches.

#### **What are the other terms and conditions of this product that I should know?**

In consideration of the Bank's agreement to make an early settlement of the Bank's Purchase Price, the Customer agrees to grant a rebate (ibra') on the Bank's Purchase Price which shall be calculated as follows:

#### Time Deposit-i (Ringgit Malaysia)

- If early settlement is on or prior to the completion of three (3) months from the placement date, the rebate is to be equivalent to the difference between the Bank's Purchase Price and Customer's Purchase Price; OR
- If the early settlement is after three (3) months or more from the placement date, the rebate shall be based on the formula below:

$$\text{Rebate} = 1/2(\text{Profit} \times C/T) + [\text{Profit} \times (T-C)/T]$$

Where,

C = Number of complete months during the Tenure before early settlement of the Bank's Purchase Price

T = Number of months in the Tenure

#### Time Deposit-i (Foreign Currency)

- The Customer may, at any time during the tenure request for the Bank's early settlement of the Bank's Purchase Price. No profit is payable for any early settlement of TD-i.

For early settlement, the Customer shall also pay for all holding, handling and brokerage fees (collectively, "Charges") actually charged by any third party broker for sale and purchase of the commodity pursuant to the commodity murabahah. The Bank shall be entitled to deduct the Charges from the Bank's Purchase Price before paying the balance to the Customer.

Partial withdrawal is not allowed prior to the end of the Tenure.

TD-i that has been auto-renewed for more than seven (7) years will be classified as "Unclaimed" in accordance with the Unclaimed Monies Act 1965.

Customer may open a TD-i with the Bank; subject to the terms and conditions of the Bank and provisions in the Notices of the Foreign Exchange Administration Rules. All declarations are reflected in OCBC Business Account Opening form.

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

Please refer to the summary of fees & charges from [www.ocbc.com.my](http://www.ocbc.com.my).

#### **What are the risks involved?**

Nil as the profit rate is made known upfront to assist you in making an informed investment decision

### What do I need to do if there are changes to my contact details?

It is important that you inform us of any changes in your contact details to ensure all correspondences reach you in a timely manner.

### Where can I get further information?

For more information on our latest products and services, you can:-

- Visit our website at [www.ocbc.com.my](http://www.ocbc.com.my)
- Visit the nearest OCBC Al-Amin Bank Berhad or OCBC Bank (Malaysia) Berhad branches
- Call our Business Banking Service Centre at 1-300-88-0255.

If you have any feedback on the products and services provided by us, you may contact us at:

Quality & Service Management  
c/o OCBC Bank (Malaysia) Berhad  
PO Box 10197  
50911 Kuala Lumpur

If our reply to query or complaint is not satisfactory to you, 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  
E-mail: [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)

The information provided in this information sheet is valid as at 13 March 2017.