

## PRODUCT DISCLOSURE SHEET (PDS)

Read this Product Disclosure Sheet (PDS) before you decide to subscribe for the Commodity Murabahah Savings Account-*i* (CM SA-*i*). Be sure to also read the relevant terms and conditions. Seek clarification from Al Rajhi Banking & Investment Corporation (Malaysia) Bhd if you do not understand any part of this document or the general terms of this Product

## AL RAJHI BANK

### CM SAVINGS ACCOUNT-*i*

Protected by PIDM up to RM250,000 for each depositor

### Effective Date of this PDS:

[As per CM SA-*i* Account Opening Date]

## 1. What is this product about?

Commodity Murabahah Savings Account-*i* (CM SA-*i*) is a savings account with attractive and fixed profit rate that fosters disciplined savings. The profit derived from the commodity purchase and sale transactions based on fixed profit rate determined upfront. The principal and profit of this product are protected by Perbadanan Insurans Deposit Malaysia up to RM250,000 for each depositor.

## 2. What is the Shariah contract applicable?

The applicable Shariah contract is **Commodity Murabahah** (with Tawarruq arrangement) and **Wakalah bil Ujrah**, where the commodity is used as an underlying asset for the purchase and sale transactions between commodity trader(s), the Customer (via agent) and the Bank.

### Definition of Commodity Murabahah

A sale and purchase transaction of an identified commodity whereby the cost and profit are made known and agreed to by the Customer and the Bank (cost plus profit) (Tawarruq concept).

The Customer will appoint Al Rajhi Nominee (Tempatan) Sdn Bhd to act as his agent to execute the Murabahah transaction(s) (sale and purchase of commodity) with the Bank. As an Agent of the Customer, Al Rajhi Nominee (Tempatan) Sdn Bhd will purchase an identified commodity based on the purchase price which is equivalent to the Deposit balance held by the Customer in the account (available balance).

Upon completion of the Commodity purchase (which includes completion of transfer of ownership and possession of the Commodity represented by certificate), Al Rajhi Nominee (Tempatan) Sdn Bhd will enter into a sale transaction with the Bank to sell the commodity on behalf of the Customer at the Murabahah Sale Price on deferred basis to the bank. The Bank agrees to buy the commodity from Al Rajhi Nominee (Tempatan) Sdn Bhd (as an agent of the Customer) at the Murabahah Sale Price.

### Definition of Wakalah bil Ujrah

Customer will appoint Al Rajhi Nominee (Tempatan) Sdn Bhd to act on its behalf with regards to the Murabahah sale transactions. For this role, Al Rajhi Nominee (Tempatan) Sdn Bhd has established a dedicated unit known as "Commodity Trading Unit" (CTU) and will be paid an agency fee.

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

- Customer will receive the Profit on monthly basis. The Profit will be computed based on Effective Profit Rate (EPR) which will be published by the Bank from time to time as per the following formula:  

$$\text{Profit} = \text{Purchase Price} \times (\text{Profit Rate} + \text{Agency fee}) \times (\text{No. of Murabahah Days} / \text{No. of Days in Year})$$
- Debit/ Automated Teller Machine (ATM) Card will be issued to joint account holders where the signing condition is either one to sign;
- Customer will receive monthly statement via registered email address, i.e. e-Statement services. The statement will be in PDF format and to be self-printed by you;
- Illustration of the profit computation as per below (for illustration ONLY):

#### **Scenario 1:**

End of Year Balance on 31<sup>st</sup> Dec= RM50,000.00

Profit Rate =

Balance Band	Profit Rate
Up to RM20,000	0.34%
Above RM20,000-RM50,000	0.44%
Above RM50,000-RM200,000	0.54%
Above RM200,000	0.64%

Note: for actual Profit Rate, please refer to the Board Rate

\* Profit Rate exclude Agency Fee

Number of Days in Year = 365 days

Number of Murabahah Days = 365 days (01/01/2021 to 31/12/2021)

Agency Fee Rate = 0.01%

Profit = RM 50,000 x (0.44%+0.01%) x (365/365)  
= RM 225.00

Murabahah Sale Price

= RM 50,000 + RM 225.00

= RM 50,225.00

\* Agency Fee = RM 50,000 x 0.01% x (365/365)  
= RM 5.00

Amount payable to the Customer shall be net of the Agency Fee

= RM 50,225.00 – RM 5.00

= RM 50,220.00

#### **Scenario 2:**

Net Daily Increment on 22/12/2020= RM20,000.00

Profit Rate =

Balance Band	Profit Rate
Up to RM20,000	0.34%
Above RM20,000-RM50,000	0.44%
Above RM50,000-RM200,000	0.54%
Above RM200,000	0.64%

Note: for actual Profit Rate, please refer to the Board Rate

\* Profit Rate exclude Agency Fee

Number of Days in Year = 366 days (Leap Year)

Number of Murabahah Days = 10 days (22/12/2020 to 31/12/2020)

Agency Fee Rate = 0.01%

Profit = RM 20,000 x (0.34%+0.01%) x (10/366)  
= RM 1.91

Murabahah Sale Price

= RM 20,000 + RM 1.91

= RM 20,001.91

\* Agency Fee = RM 20,000 x 0.01% x (10/366)  
= RM 0.05

Amount payable to the Customer shall be net of the Agency Fee

= RM 20,001.91 – RM0.05

= RM 20,001.86

e) Product Features

Initial Placement	RM20
Minimum Balance to Maintain	RM10 Any transaction resulting in the balance falling below minimum balance shall be rejected.
Profit Rate	Fixed rate determined upfront, upon account opening
Profit Payment Frequency	Monthly (month-end)
Agency Fee	0.01% p.a. (Bank is authorised by the Customer to determine the Agency Fee from time to time)
Capital Guaranteed	Yes
Facilities offered	<ul style="list-style-type: none"> <li>• ATM/ Debit Card facility – applicable for Individual &amp; Joint (either one to sign);</li> <li>• 24-hours Internet Banking; and</li> <li>• Account Statement/ e-Statement</li> </ul>
* PIDM Protection	Protected by PIDM up to RM250,000 for each depositor

\* Perbadanan Insurans Deposit Malaysia (PIDM)

4. What are the other key terms and conditions of this product that I should know?

Important Term/ Formula	<ul style="list-style-type: none"> <li>• Purchase Price = Total End of Year Balance or Net Daily Increment (if any) or Opening Account Deposit in CM CASA-i Account</li> <li>• Murabahah Sale Price = Purchase Price + Profit</li> <li>• Profit = Purchase Price x (Profit Rate + Agency fee) x (No. of Murabahah Days / No. of Days in Year)</li> <li>• Agency Fee = Purchase Price x 0.01% x (No. of Murabahah Days / No. of Days in Year)</li> </ul>
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## 5. What are the fees and charges I have to pay?

Fees Type	Details
Service Fee	NIL
Dormant Account (an advice is sent to customer advising customer to re-activate account)	
a) With balances up to RM10	Account will be closed and the balance absorbed by the Bank as fee income.
b) With balances greater than RM10	An annual service of RM10.00 will be charged until the remaining account balances are transferred to Unclaimed Monies; at any stage if the balance is equal to RM10 or less, the account will be closed and the outstanding amount will be absorbed by the Bank as fee income.
c) Activation of dormant account	Waived
Request for Additional Statement	RM 2.00 per statement
Agency Fee	0.01%

**Note:**

Details on fees and charges imposed for this product are available at the Bank's website and as displayed at branches.

## 6. What are the risks involved?

The customer shall experience the typical risks associated with conducting a deposit transaction or when utilizing the ATM with any banking institution. If the customer seeks for assistance due to any materialized risks, please refer to the contact details below.

## 7. What do I need to do if there are changes to my personal details?

It is important that you inform us of any change in your personal details to ensure that all correspondences reach you in a timely manner. Inform us of any changes in your contact details by visiting any of our branches or call our Customer Care Hotline at 03-2332 6000.

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

Should you require any additional information about this product, you may contact our Customer Care Hotline at 03- 2332 6000 or visit our website at [www.alrajhibank.com.my](http://www.alrajhibank.com.my)

For further enquiries on Financial Products, visit [www.bankinginfo.com.my](http://www.bankinginfo.com.my)

Or, you may visit the nearest BNMLINK or call BNMTLELINK at 1300 88 5465

For further information on deposit insurance protection by Perbadanan Insurans Deposit Malaysia, you may call their toll-free line at 1 800 88 1266, available Mondays to Fridays from 8.30am to 5.30pm, email to [info@pidm.gov.my](mailto:info@pidm.gov.my) or visit PIDM website at [www.pidm.gov.my](http://www.pidm.gov.my)

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

For internal dispute resolution, you may contact the Bank's Customer Care at +603 2332 6000

If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the BNM TELELINK:

via phone to	:	1-300-88-5465 (1-300-88-LINK)
via fax to	:	+603 2174 1515
via email to	:	bnmtelelink@bnm.gov.my
via letter to	:	Laman Informasi Nasihat dan Khidmat (LINK) Bank Negara Malaysia P.O. Box 10922 50929 Kuala Lumpur

#### 10. Are there other similar type of deposit available?

Qard Savings Account-*i* (non-profit bearing account)

The information provided in this Product Disclosure Sheet is valid as at 28 November 2023.