

**FREQUENTLY ASKED QUESTIONS
TERM INVESTMENT ACCOUNT-i (TIA)**

1.	What is a Term Investment Account-i (TIA)?
	<p>Term Investment Account-i (“TIA”) is an unrestricted investment account product based on the Shariah concept of <i>Wakalah Bi Al-Istithmar</i>. The customer, known as the Investment Account Holder (IAH), acts as the capital provider who appoints the Bank as an agent and places the investment amount to be managed by Bank Muamalat Malaysia Berhad (the “Bank”). Any profit generated, up to the Expected Profit Rate (EPR) shall be credited to the IAH, and profit in excess of the EPR shall be credited to the Bank, if any. Profit for the IAH is derived from the performance of the allocated Portfolio Asset originated by and presently recorded as asset in the book of the Bank.</p>
2.	What are the Shariah features of this product?
	<p>The Shariah features of this product include :-</p> <ul style="list-style-type: none"> • <i>Wakalah bi al-Istithmar</i> means a wakalah contract may be entered into for the purpose of investment. • <i>Wakalah</i> refers to a contract where a party, as principal (<i>muwakkil</i>) authorizes another party as his agent (<i>wakil</i>) to perform a particular task on matters that may be delegated, with or without imposition of a fee.
3.	Please explain the Shariah structure and transaction steps of this product?
	<p>The product is based on the concept of <i>Wakalah bi al-Istithmar</i> and <i>Wakalah</i> which involves the following transaction steps:</p> <ul style="list-style-type: none"> • IAH appoints the Bank as <i>wakil</i> and places the investment amount for a specific tenor. • The Bank manages the underlying assets on an unrestricted basis for the pooled fund. • The profit / loss is derived from the performance of the underlying assets. • <u>If Actual Profit Rate is less than the Expected Profit Rate:</u> If the Actual Profit Rate is lower than the Expected Profit Rate (quoted at inception), the Bank is obliged to pay Actual Profit Rate to IAH. Loss (if any) shall be borne by IAH unless the loss is due to the Bank’s negligence, misconduct or breach of specified terms. • <u>If Actual Profit Rate is higher than or equal to the Expected Profit Rate:</u> If the Actual Profit Rate is higher than or equal to the Expected Profit Rate (quoted at inception), the Bank will pay Expected Profit Rate to IAH. Any excess on the profit will be retained by the Bank as ‘Performance Fee’ (if any) with the IAH expressly waiving their rights (<i>tanazul</i>) to any profit above the EPR.
4.	Who is eligible for TIA?
	<p><u>Individual</u></p> <ul style="list-style-type: none"> • Open to residents and non-residents aged 18 and above. • Trust Account for children below 18 years old (minors). <p><u>Non-individual</u></p>

**FREQUENTLY ASKED QUESTIONS
TERM INVESTMENT ACCOUNT-i (TIA)**

- Businesses and other entities such as sole proprietorship, partnership, professional agency, limited liability partnership and companies under Micro & Small category.

Entity Code	Details
2100	Sole Proprietorship
2200	Partnership
2300	Professional Agency
2430	Company - Others

Note:

- Joint account is allowed.
- For children below eighteen (18) years old (minors), the account must be opened and operated by their parent or legal guardian upon providing the Birth Certificate/MyKid.
- The IAH, is subject to IAH Suitability Assessment.
- The Bank's standard account eligibility is also applicable to TIA account opening.
- The above criteria are subject to the Bank's policy from time to time.

5. Is joint account allowed to invest into TIA?

Yes, joint account is allowed to invest into TIA.

6. What are the available channels to make the placement?

Over-The-Counter (OTC) at any Bank Muamalat branch.

7. What are the documents required during application?

Type of Customer	Required Documents
Individual / Joint Account / Trust Account / Minor / External Account	<ul style="list-style-type: none"> Manual Application Form Mykad/MyPR/MyTentera/ Army ID Mykid or Birth Certificate Passport with Valid VISA
Sole Proprietorship	<ul style="list-style-type: none"> Manual Application Form Mykad/MyPR/MyTentera/ Army ID/ /Passport Form B Form D PNA 23
Partnership	<ul style="list-style-type: none"> Manual Application Form Form B Form D PNA 23 Copy of Partnership Deed Mandate Form

**FREQUENTLY ASKED QUESTIONS
TERM INVESTMENT ACCOUNT-i (TIA)**

		<ul style="list-style-type: none">• Authorised Letter for Mandate											
	Professional Agency	<ul style="list-style-type: none">• Manual Application Form• Mykad/MyPR/MyTentera/ Army ID/ /Passport• Professional membership confirmation by respective regulatory or authority											
	Company (Bhd/Sdn Bhd)	<ul style="list-style-type: none">• Manual Application Form• Mykad/MyPR/MyTentera/ Army ID/ /Passport• Certified Copy of Resolution of Board of Director• Copy of Memorandum and Article of Association• Certificate of Incorporation• Certificate of Authority (Public Limited)• Form 24											
8.	What are the available modes of investment for Term Investment Account (TIA)?												
	Investment Mode	Effective Date											
	1. Cash	Immediate											
	2. House Cheque	Immediate											
	3. Local Cheque	Upon Clearing Date											
	4. Intrabank Transfer	Immediate											
5.	Is this product covered by Perbadanan Insurans Deposit Malaysia (PIDM)?												
	No, TIA is a non-principal guaranteed investment product and it is not protected by Perbadanan Insurans Deposit Malaysia (PIDM).												
6.	What is the minimum investment amount and tenor for TIA?												
	<table><tr><th rowspan="2">Category</th><th colspan="2">Initial Investment</th></tr><tr><th>Minimum</th><th>Maximum</th></tr><tr><td>Retail /SME/ Commercial/ Corporate</td><td><ul style="list-style-type: none">• RM 5,000 for tenor of 1 month; and• RM 1,000 for tenor of 3, 6, 9, and 12 months.</td><td>Nil</td></tr><tr><td>Treasury – Wholesale Markets</td><td>RM 1,000,000</td><td>Guided by internal limit</td></tr></table> <p><u>Note:</u> Investment placements must be made in thousands (for example, RM1,000, RM2,000, RM3,000 and so on), subject to meeting the minimum placement amount required for the respective tenor</p>		Category	Initial Investment		Minimum	Maximum	Retail /SME/ Commercial/ Corporate	<ul style="list-style-type: none">• RM 5,000 for tenor of 1 month; and• RM 1,000 for tenor of 3, 6, 9, and 12 months.	Nil	Treasury – Wholesale Markets	RM 1,000,000	Guided by internal limit
Category	Initial Investment												
	Minimum	Maximum											
Retail /SME/ Commercial/ Corporate	<ul style="list-style-type: none">• RM 5,000 for tenor of 1 month; and• RM 1,000 for tenor of 3, 6, 9, and 12 months.	Nil											
Treasury – Wholesale Markets	RM 1,000,000	Guided by internal limit											
7.	What are the rates offered for TIA?												
	<table><tr><th colspan="3">PROFIT FOR TERM INVESTMENT ACCOUNT-i (TIA)</th></tr><tr><th colspan="3">PROFIT RATES</th></tr><tr><th>MONTH</th><th>BOARD RATES</th><th>CAMPAIGN RATES</th></tr></table>		PROFIT FOR TERM INVESTMENT ACCOUNT-i (TIA)			PROFIT RATES			MONTH	BOARD RATES	CAMPAIGN RATES		
PROFIT FOR TERM INVESTMENT ACCOUNT-i (TIA)													
PROFIT RATES													
MONTH	BOARD RATES	CAMPAIGN RATES											

**FREQUENTLY ASKED QUESTIONS
TERM INVESTMENT ACCOUNT-i (TIA)**

	1	2.40	
	3	2.55	
	6	2.60	3.85%
	9	2.60	3.90%
	12	2.60	4.20%
8.	Does this product allow partial redemption?		
	Partial redemption is not allowed.		
9.	Is premature redemption allowed for this product?		
	Premature redemption is permitted. IAH may be entitled to an early withdrawal rate of up to 1% as a gift (hibah) from the Bank. The early withdrawal rate will be determined or approved at the discretion of the Bank and is subject to a thirty-one (31) calendar day notice period for premature redemption, served by the IAH. No profit will be paid for TIA investments with a tenor of one (1) month or less. The IAH shall waive their rights (tanazul) to any profit from the Bank.		
	Illustration:		
	Investment Date	=	1 March 2025
	Investment Amount	=	RM 10,000
	Tenor	=	6 months
	Maturity Date	=	1 September 2025
	Premature Redemption Date	=	5 May 2025
	Early Withdrawal Rate	=	1.00%
	Total Investment Days	=	65 days
	Completed Months	=	1 st month = March (31 days)
	Entitled for Withdrawal Rate	=	2 nd month = April (30 days)
	Total Profitable Investment Days	=	61 days
	Profit	=	(RM 10,000 x 1%) x (61/365)
		=	RM 16.71
	Total Investment + Profit	=	RM 10,000 + RM16.71
		=	RM 10,016.71
10.	Is Term Investment Account (TIA) available in foreign currency?		
	Term Investment Account (TIA) is available in Malaysian Ringgit (MYR) only.		
11.	What are the fees and charges imposed?		
	None.		
12.	Where can I find the expected profit rate for Term Investment Account (TIA)?		

**FREQUENTLY ASKED QUESTIONS
TERM INVESTMENT ACCOUNT-i (TIA)**

	Expected profit rate (EPR) shall be published and regularly updated at www.muamalat.com.my or you may call our Customer Care at 03-2600 5500 or visit the nearest BMMB branches.																																
13.	<p>How is the profit paid on my Term Investment Account (TIA)? ?</p> <p>Return (Profit) (if any) will be paid to IAH upon maturity of the agreed investment tenor. It will be credited into IAH's TIA account.</p> <p>Two (2) scenarios of return (profit) payment to IAH:</p> <p>a) If the Actual Profit Rate is lower than the Expected Profit Rate (quoted at inception), the Bank is obliged to pay Actual Profit Rate to IAH. Loss (if any) shall be borne by IAH unless the loss is due to the Bank's negligence, misconduct or breach of specified terms.</p> <p>b) If the Actual Profit Rate is higher than or equal to the Expected Profit Rate (quoted at inception), the Bank will pay Expected Profit Rate to IAH. Any excess on the profit will be retained by the Bank as 'Performance Fee' (if any) with the IAH expressly waiving their rights (tanazul) to any profit above the EPR.</p>																																
14.	<p>Can you illustrate how the profit is computed?</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> $\text{Profit} = \text{Principal amount} \times \text{Profit Rate} \times \frac{\text{Tenor (in days)}}{365 \text{ or } 366 \text{ days}}$ </div> <p>Illustration:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;">Investment Amount</td><td>: RM 10,000</td></tr> <tr> <td>Tenor</td><td>: 3 months</td></tr> <tr> <td>Date of Investment</td><td>: 15 December 2023</td></tr> <tr> <td>Date of Maturity</td><td>: 14 March 2024</td></tr> <tr> <td>Number of Days</td><td>: 91 days</td></tr> <tr> <td>Expected Profit Rate (EPR)</td><td>: 3.00%</td></tr> <tr> <td colspan="2"><u>Scenario 1: Actual Profit Rate exceeds EPR</u></td></tr> <tr> <td>Actual Profit Rate</td><td>: 3.20%</td></tr> <tr> <td colspan="2"><u>15 December 2023 to 31 December 2023</u></td></tr> <tr> <td>Days</td><td>: 17 days</td></tr> <tr> <td>Profit proceeds for IAH</td><td>: $\text{RM } 10,000 \times 3.00\% \times 17/365$ = RM 13.97</td></tr> <tr> <td colspan="2"><u>1 January 2024 to 14 March 2024</u></td></tr> <tr> <td>Days</td><td>: 74 days</td></tr> <tr> <td>Profit proceeds for IAH</td><td>: $\text{RM } 10,000 \times 3.00\% \times 74/366$ = RM 60.66</td></tr> <tr> <td>Total Profit proceeds for IAH</td><td>: $\text{RM } 13.97 + \text{RM } 60.66$ = RM 74.63</td></tr> <tr> <td>Total Investment + Profit</td><td>: $\text{RM } 10,000 + \text{RM } 74.63$</td></tr> </table>	Investment Amount	: RM 10,000	Tenor	: 3 months	Date of Investment	: 15 December 2023	Date of Maturity	: 14 March 2024	Number of Days	: 91 days	Expected Profit Rate (EPR)	: 3.00%	<u>Scenario 1: Actual Profit Rate exceeds EPR</u>		Actual Profit Rate	: 3.20%	<u>15 December 2023 to 31 December 2023</u>		Days	: 17 days	Profit proceeds for IAH	: $\text{RM } 10,000 \times 3.00\% \times 17/365$ = RM 13.97	<u>1 January 2024 to 14 March 2024</u>		Days	: 74 days	Profit proceeds for IAH	: $\text{RM } 10,000 \times 3.00\% \times 74/366$ = RM 60.66	Total Profit proceeds for IAH	: $\text{RM } 13.97 + \text{RM } 60.66$ = RM 74.63	Total Investment + Profit	: $\text{RM } 10,000 + \text{RM } 74.63$
Investment Amount	: RM 10,000																																
Tenor	: 3 months																																
Date of Investment	: 15 December 2023																																
Date of Maturity	: 14 March 2024																																
Number of Days	: 91 days																																
Expected Profit Rate (EPR)	: 3.00%																																
<u>Scenario 1: Actual Profit Rate exceeds EPR</u>																																	
Actual Profit Rate	: 3.20%																																
<u>15 December 2023 to 31 December 2023</u>																																	
Days	: 17 days																																
Profit proceeds for IAH	: $\text{RM } 10,000 \times 3.00\% \times 17/365$ = RM 13.97																																
<u>1 January 2024 to 14 March 2024</u>																																	
Days	: 74 days																																
Profit proceeds for IAH	: $\text{RM } 10,000 \times 3.00\% \times 74/366$ = RM 60.66																																
Total Profit proceeds for IAH	: $\text{RM } 13.97 + \text{RM } 60.66$ = RM 74.63																																
Total Investment + Profit	: $\text{RM } 10,000 + \text{RM } 74.63$																																

**FREQUENTLY ASKED QUESTIONS
TERM INVESTMENT ACCOUNT-i (TIA)**

	<p style="text-align: right;">= <u>RM 10,074.63</u></p> <p><u>Scenario 2: Actual Profit Rate is less than EPR</u></p> <p>Actual Profit Rate : 2.70%</p> <p><u>15 December 2023 to 31 December 2023</u></p> <p>Days : 17 days</p> <p>Profit proceeds for IAH : $RM\ 10,000 \times 2.70\% \times 17/365$ = RM 12.58</p> <p><u>1 January 2024 to 14 March 2024</u></p> <p>Days : 74 days</p> <p>Profit proceeds for IAH : $RM\ 10,000 \times 2.70\% \times 74/366$ = RM 54.59</p> <p>Total Profit proceeds for IAH : $RM\ 12.58 + RM\ 54.59$ = <u>RM 67.17</u></p> <p>Total Investment + Profit : $RM\ 10,000 + RM\ 67.17$ = <u>RM 10,067.17</u></p>
15.	<p>Who is responsible for any loss incurred from this investment product?</p> <ul style="list-style-type: none"> • The principal of this investment is not guaranteed. • The Bank shall not be liable for any impairment of asset unless such loss is due to the Bank's misconduct, negligence or breach of specified terms of the contract. • Notwithstanding the above, in the case of any loss, the Bank shall furnish the reason for the occurrence of the loss. • Any loss incurred for this product shall be fully borne by IAH.
16.	<p>What are the requirements for the investment placement?</p> <p>For the placement of investment, the IAH shall be required to do the following:</p> <ol style="list-style-type: none"> Satisfy the account opening procedures including completing the account opening forms ("Application Form"), IAH Suitability Assessment Form, read the PDS and the T&C. Place the sum of money equivalent to the initial Investment Amount at the specified tenor.

For other queries, you may contact our Customer Care at 03-26005500.