

## TERMS AND CONDITIONS OF TERM DEPOSIT-i ACCOUNT

This Term Deposit-i Account (“TD-i”) are governed by applicable laws of Malaysia, rulings of the Shariah Advisory Council of Bank Negara Malaysia (“BNM”) and Shariah Committee of Bank Rakyat, Terms and Conditions (“T&C”) of Bank Rakyat (“the Bank”) and banking regulations effective from the date of account opening or amended, changed or varied thereafter. Any such changes shall be effective upon notification to the customers via advertisement, display of notice at the Bank’s branches or any other means that the Bank deems fit.

### 1.0 Concept

- 1.1 The TD-i is based on the concept of Tawarruq with Murabahah (cost-plus) and Dual Wakalah (dual agencies which consist of Wakalah and Wakalah Bil Ujrah) application for the purpose of account opening and automatic renewal. The Dual Wakalah contracts are valid with effect from account opening until closure of account upon request by the customer or termination by the Bank.
- 1.2 Customer authorizes the Bank as an agent to perform and complete Tawarruq transactions via the commodity platform, Bursa Suq Al-Sila` (“BSAS”), with commercially traded commodities which meet the contract grade and price as specified by the BSAS as underlying asset. The commodities’ specification can be viewed from Bursa Malaysia website at <http://www.bursamalaysia.com>.
- 1.3 The Bank will purchase the commodities from BSAS on customer’s behalf (based on pre-agreed Wakalah Bil Ujrah) and subsequently purchase the commodities from customer (where the Bank acted as customer’s agent to sell based on pre-agreed Wakalah) on deferred Murabahah basis.
- 1.4 Customer has the right to take delivery of the commodities prior to sale of commodities to the Bank by informing the Bank via any means. The delivery request cannot be cancelled once confirmed and all ancillary charges such as transportation, storage, licensing etc. shall be borne by the customer. Other T&C can be referred to Bursa Malaysia website.
- 1.5 The selling price (principal and profit) of the deferred Murabahah will be paid to the customer upon maturity on lump sum or staggered basis depending on the features and types of customer’s account.

- 1.6 Deposit by the customer will be placed with the Bank upon selling of the commodities by the Bank to BSAS on cash basis.
- 1.7 In the event Customer opts for monthly profit payment, the Customer agrees that upon premature withdrawal, the Bank shall have the right to offset from the principal any profit paid by the Bank

### 2.0 Feature

Feature	Description		
<b>Age</b>	15 years and above. <u>Note:</u> For age below 18 years, explicit consent from parent or guardian is required.		
<b>Eligibility</b>	<b>Non-Corporate Depositor</b>	Individual	<ul style="list-style-type: none"> <li>Individuals (individual, joint or trust).</li> </ul>
		Non-Individual	<ul style="list-style-type: none"> <li>Sole Proprietor.</li> <li>Partnership.</li> <li>Charitable organizations, clubs, associations etc.</li> <li>Worship house.</li> <li>Legal firm.</li> </ul>
		Cooperative	<ul style="list-style-type: none"> <li>Cooperatives registered in Malaysia.</li> </ul>
	<b>Corporate Depositor</b>	<ul style="list-style-type: none"> <li>Public and private companies.</li> <li>Federal, State and Local Government.</li> <li>Government agencies.</li> <li>Statutory bodies.</li> </ul>	
<b>Minimum deposit</b>	<b>Tenure/Type</b>		<b>Minimum Deposit</b>
	1 month		RM 5,000
	2 months to 60 months		RM 500
	Placement at HQ		RM 50,000
<b>Maximum</b>	No maximum amount of deposit.		

Feature	Description	
<b>deposit</b>		
<b>Tenure of deposit</b>	<ul style="list-style-type: none"> <li>1 to 60 months.</li> <li>For tenure other than the above, subject to the Bank's approval.</li> </ul>	
<b>Profit</b>	<ul style="list-style-type: none"> <li>Profit rate is fixed upon account opening and automatic renewal based on the Bank's prevailing profit rate as displayed at the Bank's branches.</li> <li>Generally, profit is paid upon maturity of TD-i.</li> <li>Profit can be paid monthly for minimum deposit of RM5,000 and minimum tenure of six (6) months upon request by the customer.</li> <li>Formula of profit calculation is as follows: <table border="1" data-bbox="423 611 1095 663"> <tr> <td><math>\text{Principal (RM)} \times \text{Profit Rate (\%)} \times \text{Tenure}/365 \text{ days}</math></td> </tr> </table> </li> <li>Tenure is determined upon placement of deposit.</li> </ul>	$\text{Principal (RM)} \times \text{Profit Rate (\%)} \times \text{Tenure}/365 \text{ days}$
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<b>Payment upon maturity</b>	<ul style="list-style-type: none"> <li>Sale price (principal and profit) or profit portion (in the case of automatic renewal of principal only) will be credited into customer's Savings or eCurrent Account-i ("CASA-i") with the Bank or other financial institutions as per instruction.</li> <li>For any third party payment/ transfer, official instruction letter must be provided and being signed by the authorized signatories.</li> <li>Cash payment is least preferable but allowed subject to standard verification process by the branch.</li> <li>In the event of payment instruction is not provided or unsuccessful payment crediting to customer due to whatsoever reasons, the Bank reserves the right to perform automatic renewal on the whole deposit amount based on the Bank's prevailing profit rate.</li> </ul>	
<b>Automatic renewal</b>	<ul style="list-style-type: none"> <li>Automatic renewal is allowed subject to instruction by the customer upon opening of the account with a maximum tenure of seven (7) years from account opening date.</li> <li>By default, renewal is based on the whole sale price (principal and profit) unless otherwise requested by the customer.</li> <li>The profit rate upon automatic renewal is subject to the</li> </ul>	

Feature	Description				
	<ul style="list-style-type: none"> <li>Bank's prevailing profit rate.</li> <li>Date of automatic renewal is the day after maturity of the previous Certificate.</li> </ul>				
<b>Premature withdrawal</b>	<ul style="list-style-type: none"> <li>Premature withdrawal is allowed in full. However, no profit will be paid to customer effective 1 January 2019.</li> </ul>				
<b>Partial withdrawal</b>	Not allowed.				
<b>Certificate and Deposit Confirmation</b>	<ul style="list-style-type: none"> <li>TD-i Certificate or Deposit Confirmation will be issued upon deposit placement.</li> <li>Should placement made by cheques, the issuance of Certificate or Deposit Confirmation is subjected to the cheque clearance.</li> </ul>				
<b>Fees and charges</b>	<ul style="list-style-type: none"> <li>Following are the applicable fees and charges: <table border="1" data-bbox="1480 655 2168 754"> <thead> <tr> <th>Type of Fee</th> <th>Fee Amount</th> </tr> </thead> <tbody> <tr> <td>Certificate replacement fee</td> <td>RM10 (stamp duty)</td> </tr> </tbody> </table> </li> <li>The above are subject to revision from time-to-time with prior notice to the customer.</li> </ul>	Type of Fee	Fee Amount	Certificate replacement fee	RM10 (stamp duty)
Type of Fee	Fee Amount				
Certificate replacement fee	RM10 (stamp duty)				
<b>Takaful coverage</b>	<ul style="list-style-type: none"> <li>Free Takaful coverage is provided to the individual customer with minimum deposit of RM10,000 and minimum tenure of twelve (12) months per Certificate.</li> <li>Applicable to customer aged 18 until 65 years only.</li> <li>The scope of coverage includes: <ol style="list-style-type: none"> <li>deceased; and</li> <li>permanent disability, within twelve (12) months from the specified injuries declared by the customer upon account opening.</li> </ol> </li> <li>The value of benefit is RM10,000 on one-off basis.</li> <li>Coverage is valid as long as TD-i is active.</li> </ul>				
<b>Guarantee</b>	The deposit amount is guaranteed by the Bank.				

### 3.0 General Declarations

3.1 All the information given during the account opening are declared true and correct and that the customer has not withheld any particulars which may prejudice the application.

3.2 The Bank shall have the right to terminate TD-i upon occurrence of any of the following events:

- (a) failure to comply with the Customer Due Diligence ("CDD") requirements as required by BNM;
- (b) bankruptcy or liquidation of the customer;
- (c) withdrawal by the customer of all moneys deposited;
- (d) the customer commits breach of any of the T&C herein;
- (e) the customer does not or refuses to accept any amendment, change and variation to these T&C; or
- (f) the customer became insane or die.

3.3 The Bank may be obliged under the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("AMLA") and/or other laws, regulations, rules, guidelines or directive to disclose, use or obtain any information relating to the customer, banking account(s) or matters related thereto to BNM and/or other relevant authorities and the customer hereby consent to the same and agree that the Bank, its officers and employees shall not be liable in any manner whatsoever for such disclosure.

3.4 The Bank is irrevocably authorised and permitted to provide any information concerning to the customer, this application, customer's present and future accounts and facilities, products and/or services from/with the Bank, to any financial institutions granting or intending to grant any credit facilities, any credit bureaus, any relevant authorities, bodies, persons or agencies as may be authorised by law to obtain such information or established by BNM, any other financial institutions or establishments to facilitate the execution of instructions given in respect of the credit facilities, accounts, products and/or services from/with the Bank, security parties (including guarantors) and the Bank's auditors, lawyers and/or agents.

#### **4.0 Notices and Communications**

4.1 Unless otherwise specified, all notices and communications by the Bank in relation to the account may be given in any one of the following manners:

- (a) by ordinary post, including notices incorporated into statement of account, to the customer's last known address in the Bank's record and such notification shall be deemed received after three (3) business days from the date of posting;
- (b) by facsimile, email or other forms of instantaneous communication to the customer's last known contact number or email address in the Bank's record and deemed received twenty four (24) hours from the time of transmission;
- (c) by displaying notices in any of the Bank's premises or branches and such notification shall be deemed effective from the first day such notice is displayed;
- (d) by advertisement made once in any national newspapers in the English language or national language and such notification shall be deemed effective from the date of publication of such advertisement;
- (e) by broadcasting message on the Bank's internet banking information website and such notification shall be deemed effective from the first day of such broadcast; or
- (f) any other means as the Bank shall at its absolute discretion deem fit.

4.2 Unless otherwise specified, all notices and communications to the Bank shall be in writing and signed by the customer and sent to the Bank's address or in such manner as may be notified to the customer from time to time and all notices from the customer shall take effect only upon the Bank receiving the same.

#### **5.0 Change of Account Particulars**

5.1 Any changes of name, address, telephone number, signature and/or other particulars that are recorded with the Bank which include instruction to stop payment must be notified to the Bank as soon as possible and be supported by any documentations as the Bank may require.

5.2 All communications including the service of any legal processes sent by post to or left at the customer last address registered with the Bank shall be deemed to have been duly delivered to and received by the customer.

#### **6.0 Right to Off-Set**

The Bank, in addition to any general lien or other similar right to which it is entitled by law, may at any time, with prior notice, combine or consolidate any or

all of the banking accounts with the customer's liabilities to the Bank and off-set or transfer any sum(s) standing in the credit of any one or more of the banking accounts in or towards satisfaction of any liabilities to the Bank whether such liabilities to the Bank be primary or collateral or joint and several.

#### **7.0 Event of Death (Survivor Provision)**

Subject to any legislation applicable thereto, on the death of any one joint account holders, the Bank may hold any credit balance or balances now or hereafter standing to any accounts in joint names of the customers and any securities held in the joint names to the order of the survivors without prejudice to the Bank's right of consolidation and off-set contained herein or the Bank's rights in respect of such balance or securities arising out of any lien charge pledge counter-claim or otherwise whatsoever or to any step which the Bank may deem it desirable to take in view of any claim by any person other than the survivors. Any payment made by us to the survivors shall constitute a complete discharge of our obligations binding on all the account holders and their personal representatives.

#### **8.0 Unclaimed Moneys Act 1965**

The customer is advised to keep TD-i active as it is a requirement under the Unclaimed Moneys Act 1965 that any monies to the credit of an account which has not been operated for a period of seven (7) years must be gazetted as "Unclaimed Monies", and thereafter will be remitted to Consolidated Trust Account maintained by the Government of Malaysia.

#### **9.0 Taxation**

Unless otherwise specified herein, the fees and charges exclude any current taxes and future taxes that may be imposed, including the Goods and Services Tax ("GST") under relevant legislation. Upon the effective date of implementation of any such taxes in the future and wherever applicable, the Bank will be entitled to recover such taxes from the customer.

#### **10.0 Limitation of Liability**

10.1 Without prejudice to any other provisions herein, the Bank shall not be held liable for any loss or damages whatsoever arising whether in contract, tort, negligence, strict liability or any other basis, including but not limited

to, direct or indirect, special, incidental, consequential or punitive damages, or loss of profits or loss of savings arising in connection with the customer's access or use or the inability to access or use the mobile banking services, any technical failure of any kind, the interruption, error, omission, delay in operation or otherwise, whether or not the Bank has been advised of the possibility of such loss or damage or claim by any third party. This exclusion clause shall take effect to the fullest extent permitted by law.

10.2 Subject to the provisions herein, the Bank's sole and entire liabilities to the customer in contract, tort (including negligence or breach of statutory duty) or any other basis arising by reason of or in connection with these T&C or howsoever shall not exceed the amount of the transaction involved which gave rise to the claim or the direct damages sustained, whichever is the lower.

#### **11.0 Indemnity**

The customer hereby agreed to indemnify and keep the Bank fully indemnified at all times from and against all claims, actions, proceedings, demands, losses, damages, costs, charges and expenses whatsoever including solicitors fees (on "solicitor-client" basis) that may be suffered, sustained and/or incurred by the Bank in connection with or arising out of the Bank agreeing to customer's request and allowing customer to maintain and/or access to the facilities/services applied.

#### **12.0 Force Majeure**

In the event that the Bank is unable to observe or perform the T&C, whether in whole or in part, by reason of causes beyond its control including but not limited to equipment, system or transmission link malfunction or failure, fire, flood, explosion, acts of God, acts of terrorism, war (declared or undeclared), accidents, epidemics, strikes, floods, sanctions, lockouts, power blackouts or failure, labour disputes, acts, demands or requirements of the Malaysian Government or as a result of any international or supranational sanctions, or by any other causes which it cannot reasonably be expected to avoid, the performance of the Bank's obligations under the T&C as they are affected by such causes shall be excused for the duration of the abovementioned disabling events. Further, The Bank shall not be liable for any losses or delay or

inconvenience whatsoever and howsoever caused or arising from or in connection with any of the abovementioned disabling events.

- **The information provided in this Terms and Conditions is valid with effect from 4 July 2018.**