

## TERMS AND CONDITIONS OF TERM DEPOSIT-i ACCOUNT

This Term Deposit-i Account ("TD-i") is governed by applicable laws of Malaysia, rulings of the Shariah Advisory Council of Bank Negara Malaysia ("BNM") and Shariah Committee of Bank Kerjasama Rakyat Malaysia Berhad ("Bank Rakyat" or "the Bank"), terms and conditions of Bank Rakyat ("Terms and Conditions") and banking regulations effective from the date of account opening or any amendments, changes or variations made thereto. Any amendment and/or variation of any fees, charges, terms and conditions herein contained, shall be made or caused by way of the Bank giving twenty-one (21) days' notice to the depositor/customer before the new terms and conditions take effect which is in accordance to any guidelines issued by Bank Negara Malaysia applicable at that time and/or in the absence of the internal policy and/or procedure of the Bank.

### 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 depositor/customer or termination by the Bank.
- 1.2 The depositor/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 Pursuant to the appointment of the Bank as agent, the Bank will first purchase the commodities from BSAS on behalf of the depositor/customer (based on pre-agreed Wakalah Bil Ujrah) and

subsequently purchases the said commodities from the depositor/customer (whereby the Bank acts as the depositor/customer's agent to sell the commodities based on pre-agreed Wakalah) on Murabahah (cost plus) and deferred payment basis.

- 1.4 The depositor/customer has the right to take delivery of the commodities prior to the sale of commodities to the Bank by informing the Bank in writing. The delivery request cannot be cancelled once confirmed and all costs and expenses related thereto such as transportation, storage and licensing shall be solely borne by the depositor/customer. Other terms and conditions are available at Bursa Malaysia website.
- 1.5 The sale price of the commodities (which comprises of the principal and profit) will be paid to the depositor/customer upon maturity on lump sum or staggered basis depending on the features and types of the depositor/customer's account.
- 1.6 Deposit by the depositor/customer will be placed with the Bank upon realizing the proceeds of sale of the commodities by the Bank to BSAS on cash basis.
- 1.7 In the event the depositor/customer opts for monthly profit payment, the depositor/customer agrees that upon withdrawal of the deposit prior to its maturity date, the Bank shall have the right to offset from the principal deposit, any amount of profit already paid by the Bank to the depositor/customer prior to such early withdrawal.

## 2.0 Features of the Term Deposit-i Account

Features	Description		
<b>Age</b>	15 years and above. <u>Note:</u> For depositor/customers aged below 18, express consent from parent or legal guardian being trustee is required. Depositor/customer shall include the trustee.		
<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>		

Minimum deposit	Tenure/Type	Minimum Deposit
	1 month	RM 5,000
	2 months to 60 months	RM 500
	Placement at HQ	RM 50,000

Feature	Description
<b>Maximum deposit</b>	<ul style="list-style-type: none"> <li>No maximum amount of deposit.</li> <li>Placement at HQ is subject to liquidity position of Bank.</li> </ul>
<b>Tenure of deposit</b>	1 to 60 months. For tenure other than the above, subject to the Bank's approval. Placement at HQ: Overnight up to 10 years.
<b>Profit</b>	<p>Profit rate is fixed upon account opening and automatic renewal is subject to the Bank's prevailing profit rate as displayed at the Bank's branches.</p> <p>Generally, profit is paid upon maturity of TD-i.</p> <p>Profit can be paid monthly for minimum deposit of RM5,000 with minimum tenure of six (6) months upon request by the depositor/customer.</p> <p>Formula of profit calculation is as follows:</p> <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 5px auto;"> <math display="block">\text{Principal (RM)} \times \text{Profit Rate (\%)} \times \text{Tenure}/365 \text{ days}</math> </div> <p>Tenure is determined upon placement of the deposit.</p>

**Payment  
upon  
maturity**

Sale price (principal and profit) or profit portion (in the case of automatic renewal of principal only) will be credited into the depositor/customer's Savings or eCurrent Account-i ("CASA-i") maintained with the Bank or any other financial institutions as per the depositor/customer's instruction.

For any third-party payment/ transfer, official instruction letter signed by the authorized signatories of the depositor/customer must be provided to the Bank.

Cash payment is least preferable but may be allowed subject to standard verification process by the branch.

In the event of payment instruction is not provided or unsuccessful crediting of payment to the depositor/customer, the Bank has the right to perform automatic renewal on the whole deposit amount (principal and profit) based on the Bank's prevailing profit rate.

Feature	Description				
<b>Automatic renewal</b>	<ul style="list-style-type: none"> <li>Automatic renewal is allowed subject to instruction by the depositor/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 depositor/customer.</li> <li>The depositor/customer agrees that automatic renewal is subject to the Bank's prevailing profit rate.</li> <li>Date of automatic renewal is the day after maturity of the previous TD-i 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 the depositor/customer.</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 is made by cheques, the issuance of TD-i Certificate or Deposit Confirmation is subject to the cheque clearance.</li> </ul>				
<b>Fees and charges</b>	<ul style="list-style-type: none"> <li>The applicable fees and charges are as follows: <table border="1" data-bbox="481 1050 1137 1200"> <thead> <tr> <th>Type of Fee</th> <th>Fee Amount</th> </tr> </thead> <tbody> <tr> <td>TD-i Certificate replacement fee</td> <td>RM10 (stamp duty)</td> </tr> </tbody> </table> </li> <li>The above fees and charges are subject to revision from time-to-time with prior written notice of not less than 21 calendar days to the depositor/customer.</li> </ul>	Type of Fee	Fee Amount	TD-i Certificate replacement fee	RM10 (stamp duty)
Type of Fee	Fee Amount				
TD-i Certificate replacement fee	RM10 (stamp duty)				

Feature	Description
<b>Takaful coverage</b>	<ul style="list-style-type: none"> <li>Free Takaful coverage is provided to the individual depositor/customer with minimum deposit of RM10,000 and minimum tenure of twelve (12) months per TD-i Certificate.</li> <li>Applicable to the depositor/customers aged 18 to 65 only.</li> <li>The scope of coverage includes: <ol style="list-style-type: none"> <li>death; and</li> <li>permanent disability, within twelve (12) months from the specified injuries declared by the depositor/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> <li>No Takaful coverage for Placement at HQ.</li> </ul>
<b>Guarantee</b>	The deposit amount is guaranteed by the Bank.

### 3.0 General Declarations

3.1 The depositor/customers hereby declare that all information and particulars provided to the Bank during the account opening are true and correct and that there is no omission of material facts or information which may affect the Bank's decision in allowing the said account opening.

3.2 The Bank has the right at any time and from time to time by providing written notice to the depositor/customer to terminate TD-i upon occurrence of any of the following events:

- (a) failure by the depositor/customer to comply with the Customer Due Diligence ("CDD") requirements as required by BNM;
- (b) bankruptcy or liquidation of the depositor/customer;
- (c) withdrawal by the depositor/customer of all moneys deposited;
- (d) the depositor/customer commits breach of any of the Terms and Conditions stated herein;
- (e) the depositor/customer does not accept or refuses to accept any amendments, changes and/or variations to these Terms and Conditions;  
or
- (f) the death or insanity of the depositor/customer.

3.3 The depositor/customers hereby agree and authorize the Bank to disclose any information about the account or any documents related thereto including of personal data of the depositor/customers for the purpose of implementing banking operations, business, administration, professional advice and for any other purposes as permitted under the laws to:-

- (a) the Bank's branches, subsidiaries and/or any companies within the Bank's group;
- (b) the Bank's agents;
- (c) Central Credit Bureau, e-SPICK, Financial Information Services (FIS), Angkasa Salary Deduction System (SPGA) and Angkasa Credit Reporting System & RAM Credit Information Sdn Bhd (SPEKAR);
- (d) service providers and debt collection agencies
- (e) any other authorities having jurisdiction over the Bank;
- (f) permitted assigns; and
- (g) any other enforcement authorities.

The depositor/customers hereby acknowledge and agree that disclosure of information under this provision is for the purpose of Section 120 of Development Financial Institutions Act 2002 and no further consent from the depositor/customers is required for the purpose of the said Act. The said information shall however be kept strictly confidential by the company/agency and/or members/contributors.

3.4 The depositor/customers agree that the Bank is authorised to check and verify any of the information provided to the Bank and to obtain credit and other relevant information on the depositor/customers from any parties. The depositor/customers also authorize the Bank or its representatives to obtain further information pertaining to account opening application from any sources in accordance with the Bank's internal policy.

3.5 Due to the nature of access via internet, the depositor/customers agree and acknowledge that the Bank does not guarantee or ensure and does not make any representations or warranties in respect of the confidentiality of the information and the depositor/customers hereby agree to accept the risk associated with use of the internet medium including but not limited to the risk that all information transmitted through the account may be accessed by unauthorized third parties and accordingly, the depositor/customers agree not to hold the Bank responsible or liable for any such unauthorized access.

3.6 The depositor/customer hereby acknowledge and agree that the Bank has the obligation under the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("AMLATFA") and/or other laws, regulations, rules, guidelines or directive to disclose any information relating to the depositor/customers, banking account(s) or any other information or matters related thereto to BNM and/or other relevant authorities or law enforcement agencies. The depositor/customer hereby agree that the Bank, its officers and employees shall not be held liable or responsible in any manner whatsoever for such disclosure. The Bank has also the right to lodge a report to the relevant authorities and to extend full cooperation in order for the authorities to carry out their duties under AMLATFA, Penal Code and/or any written law. If it is found that the depositor/customer is in violation of AMLATFA, the Bank is entitled to exercise all of its rights contained in this Terms and Conditions.

3.7 The Bank is irrevocably authorised and permitted to provide any information concerning the depositor/customers, the account opening application, depositor/customers' present and future accounts and/or facilities, products and/or services /with the Bank, to 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 and the Bank's auditors, lawyers and/or agents.

3.8 The accountholders agree to comply with the Foreign Exchange Administration Rules on the conduct of account.

#### **4.0 Notices and Communications and Service of Legal Process**

4.1 Any notice, request or demand requiring to be served by the Bank to the depositor/customer under the provisions of this Terms and Conditions shall be in writing and shall be sufficiently served or delivered:

- (a) if delivered by hand, when delivered;
- (b) if sent by ordinary post or registered post, in its ordinary course of posting;
- (c) if sent by facsimile or electronic mail or digital transmission, when transmission has been completed;
- (d) if by displaying notices in any of the Bank's premises or branches, such notification shall be effective from the first day such notice is displayed;
- (e) if by advertisement made once in any national newspapers in English language or national language, such notification shall be effective from the date of publication of such advertisement; or
- (f) if by broadcasting message on the Bank's internet banking information website, such notification shall be effective from the first day of such broadcast.

4.2 Unless otherwise specified, all notices and communications to the Bank shall be in writing and signed by the depositor/customer and sent to the Bank's address or in such manner as may be notified to the depositor/customer from

time to time and all notices from the depositor/customer shall take effect only upon the Bank receiving the same.

4.3 Service of all legal process shall be validly effected if served by posting the same by way of registered post to the parties at his/its last known address as notified in writing by the other party to the other party and that such legal process shall be sufficiently served on the parties three (3) days after posting thereof.

#### **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.

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

The Bank, in addition to any general lien or other similar right to which it is entitled by law, may at any time, with seven (7) calendar days' notice to the depositor/customer, combine, consolidate or merge any or all of the banking accounts with the depositor/customer's liabilities to the Bank and set-off or transfer any sum(s) standing in the credit of any one or more of the depositor/customer's banking accounts in or towards satisfaction of any liabilities with the Bank whether such liabilities to the Bank be primary or collateral or joint and several.

#### **7.0 Event of Death, Bankruptcy and Insanity**

7.1 Subject to any legislation applicable thereto and in accordance with the internal policy and/or procedure of the Bank, in the event of the death of any one joint account holders, the Bank may hold any credit balances now or hereafter standing to any accounts in joint names of the depositor/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 reasonable to take in view of any claim by any person other than the survivors. Any payment made by the Bank to the

survivors shall constitute a complete discharge of the Bank's obligations and shall be binding on all the account holders and their personal representatives.

7.2 In the event of bankruptcy or insanity, the Bank may deal the TD-i subject to compliance with the relevant laws and regulations prevailing at such time, any court order or any other approved bodies.

## **8.0 Unclaimed Moneys Act 1965**

The depositor/customer is advised to keep the 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 Sales and Services Tax ("SST") 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 depositor/customer.

## **10.0 Limitation of Liability**

10.1 Without prejudice to any other provisions herein, save and except for gross negligence, willful default and/or fraud on the part of the Bank, the Bank shall not in any event 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 depositor/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 depositor/customer in contract, tort (including negligence or breach of statutory duty) or any other basis arising by reason of or in connection with these Terms and Conditions 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 depositor/customer hereby shall at all times keep the Bank save, harmless and indemnified against all actions, claims, direct losses, damages and expenses (including legal costs and expenses incurred on a solicitor and client basis) which may be brought or made against or incurred by the Bank in any nature whatsoever by reason or on account of the deposit except where such actions, claims, direct losses, damages and expenses were directly attributable to the Bank's gross negligence, willful default or fraud.

## **12.0 Force Majeure**

In the event that the Bank is unable to observe or perform any of its obligations under these Terms and Conditions, 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 Terms and Conditions as they are affected by such causes shall be excused for the duration of the abovementioned Force Majeure 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 Force Majeure events.

### **13.0 Modifications and Amendments to Terms and Conditions**

- 13.1 Any amendment and/or variation of any fees, charges, terms and conditions herein contained, shall be made or caused by way of the Bank giving twenty-one (21) days' notice to the depositor/customers before the new terms and conditions takes effect which is in accordance to any guidelines issued by Bank Negara Malaysia applicable at that time and/or in the absence of the internal policy and/or procedure of the Bank.
- 13.2 The Bank has the right to revise any of its requirements in terms of value or figure including account balances, charges, fees, the number of transaction and any other value that has been quantified as indicated in the applicable clauses and brochure's description from time to time.
- 13.3 Unless expressly stated to the contrary herein, all other Terms and Conditions governing the operations of an account with the Bank shall remain and be binding with full force and effect on the account and/or the depositor/customers.
- 13.4 If any Terms and Conditions are found to be illegal or prohibited, they shall be ineffective only as to the illegal or prohibited parts of such Terms and Conditions. The remaining Terms and Conditions shall not be effected and shall continue to remain in full force and effect

- **The information provided in this Terms and Conditions is valid with effect from 19 March 2020.**