

IMPORTANT/DISCLAIMER
THIS IS AN INVESTMENT ACCOUNT PRODUCT THAT IS TIED TO THE PERFORMANCE OF UNDERLYING ASSETS, AND IS NOT A DEPOSIT PRODUCT.
PRODUCT DISCLOSURE SHEET

Please read and understand this Product Disclosure Sheet together with the general terms and conditions before you apply and decide to accept the SPECIAL MUDARABAH INVESTMENT ACCOUNT-i (SMIA-i)

PRODUCT NAME: SPECIAL MUDARABAH INVESTMENT ACCOUNT-i (SMIA-i)
 (Previously known as Special Mudarabah Current Account-i (SMCA-i))
Not protected by Perbadanan Insurans Deposit Malaysia

BRIEF INFORMATION ON THE PRODUCT
1. What is this product about?

Applicable Shariah Contract	The product applies the Mudarabah concept. This is a contract between Capital provider (<i>Rabbul Mal</i>) and Entrepreneur (<i>Mudarib</i>). The bank in this instance is the “ Entrepreneur ” while the customers are the “ Capital Providers ”. Customer as a Capital provider (<i>Rabbul Mal</i>) places funds in the SMIA-i. The bank as an Entrepreneur (<i>Mudarib</i>) accepts the fund from customer based on the <i>Mudarabah</i> concept and will manage the fund to ensure that it is invested in Shariah compliant business activities to generate income. The profit between the customer and the bank is determined based on the Profit Sharing Ratio (“PSR”) upon acceptance of the fund. Profit generated will be shared between the customer and the bank according to the agreed PSR and losses (if any) shall be borne by the customer as the capital provider, unless it is due to the negligence or mismanagement by the Bank (<i>Mudarib</i>).
Type Of Product	Unrestricted investment account based on a contract of profit sharing agreed between the customer (Investor) and the bank whereby the bank will channel the funds in investment avenues which are Shariah compliant. The bank makes an offer of a Profit Sharing Ratio (“PSR”) which is accepted by the customer for the investment. It is a demand-based product and there will no specific tenure and maturity period.
Parties Involved In The Investment Activities, Roles and Responsibility	The bank is the “ Entrepreneur ” while the customers are the “ Capital Providers ”: <ul style="list-style-type: none">• Customer/Capital provider (<i>Rabbul Mal</i>) places funds in the SMIA-i• The Bank/Entrepreneur (<i>Mudarib</i>) accepts the fund from customer based on the <i>Mudarabah</i> concept and will manage the fund to ensure that it is invested in Shariah compliant business activities to generate income. The profit between the customer and the bank is determined based on the PSR upon acceptance of the fund. The customer shall agree that any subsequent investments or remaining balance upon any withdrawal is subject to the PSR.

PRODUCT SUITABILITY
2. Who is this product suitable for?

Investment Objectives	<ul style="list-style-type: none"> • To enjoy savings on Flexi Financing profit charged. • To enjoy returns on the Investment Account.
Whether Principal Investment Will Be At Risk	Yes with minimal exposure on risk. The fund will be invested in the assets identified and managed by the Bank
Holding Period For Investment	None

KEY PRODUCT FEATURES
3. What am I investing in?

Investment Strategy	The funds will be invested in Flexi-i Financing assets of CIMB Islamic Bank
Minimum initial investment	RM50
Eligibility	<ul style="list-style-type: none"> • Individual (Malaysian Citizens and Foreigners) • Business Entities
Investment Tenure	No maturity on the investment account
Profit Sharing Ratio (PSR)	5:95 (5% for the Customer and 95% to the Bank)

Profit Distribution	Monthly basis
Profit Rate	The indicative and actual profit rate will be declared and published at the branches and website on a monthly basis.
Account Opening	Over the counter
Coverage by PIDM	Not protected by Perbadanan Insurans Deposit Malaysia (PIDM)

Sample of Profit Calculation (For illustration purpose only)

Date of Placement: 01/08/2015	Profit Sharing Ratio: 5:95 (Customer:Bank)	Rate of Returns (After PSR): 0.20%	Investment Amount RM50,000	Payment date: 1/9/2015
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Profit Calculation: Principal x Net Rate of Return x 31/365 Days = Amount Payable to Investment Account Holders

Note: Returns will be declared on every 16th of the month.

Profit Calculation:1– 15 = RM50,000 x 0.20% x 15/365 = RM4.11

Profit Calculation:16– 31 = RM50,000 x 0.20% x 16/365 = RM4.38

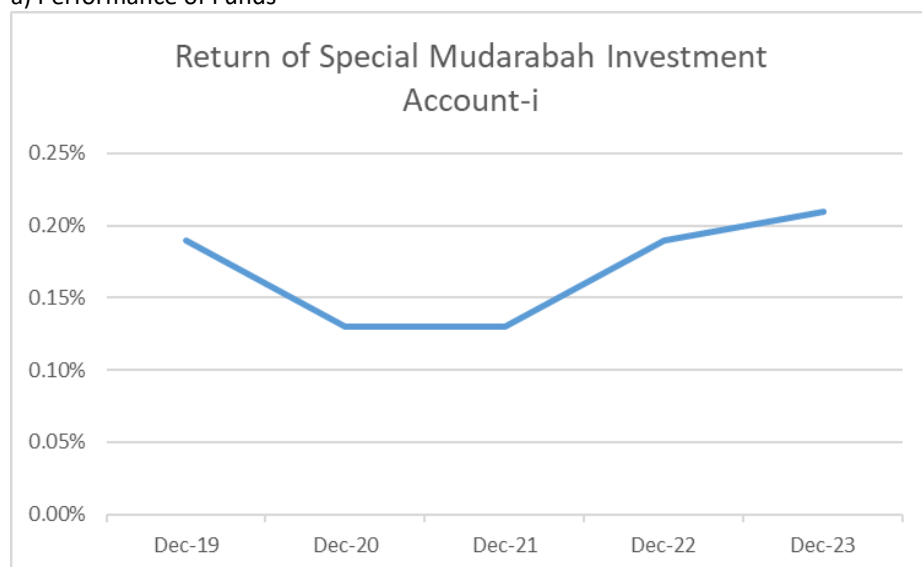
Total Profit Payable: RM8.49

KEY PRODUCT FEATURES

4. What are the possible outcomes of my investment

Profit will be distributed based on the PSR. Losses arising from the investment shall be borne by the customer as capital provider, unless it is due to the mismanagement of fund by the Bank.

a) Performance of Funds



Month/Year	Rate of Returns (after PSR)
Dec 2019	0.19%
Dec 2020	0.13%
Dec 2021	0.13%
Dec 2022	0.19%
Dec 2023	0.21%

- Past performance of the investment is not an indication of its future performance.

Table 1 – Best market simulation

Date	OPR	Rate of Return
Dec 2023	3.50%	0.21%

Table 2 – Worst market simulation

Date	OPR	Rate of Return
Jan 2023	2.00%	0.19%

(For illustration purpose only)

KEY RISKS	
5. What are the key risks associated with product?	
Market Risk	The Bank has in place existing risk management system where we are able to monitor and manage our risk exposure in real-time. This allows us to manage our position effectively within the approved risk framework imposed.
Liquidity Risk	<p>The main focus area from risk perspective is Liquidity risk. The bank will continue to conduct analysis based on the UA pool consisting of Deposits and a small portion of Mudarabah funds. Based on the historical trend of the withdrawal activities, the bank will formulate the stress test and establish mitigating tools to manage the liquidity risk. The cash flow mismatches by maturity bucket will be analyzed and monitored under the BNM-New Liquidity Framework as well as liquidity ratios prescribed by BNM.</p> <p>The SMIA-i product provides added funds to the funding base of CIMB Islamic. As it will be used for funding various assets of the bank, the cash flows from this SMIA-i and the assets funded, together with the cash flows from other products, will be managed and monitored together.</p>
'You are advised to carefully consider all risk factors before making an investment decision'	

FEES AND CHARGES
6. What are the fees and charges involved?
Related fees and charges are available in the website as well as at Branches for reference

VALUATIONS
7. Valuation strategy adopted, frequency and where valuations are published (i.e web address/newspapers where valuations are published)
<ul style="list-style-type: none"> Our valuation methodology is objective, robust, verifiable and consistent with the Malaysian Financial Reporting Standards ("MFRS"). The bank is monitoring the asset performance on monthly basis. The net returns/loss on the SMIA-i will be displayed at CIMB website at www.cimb.com.my from the 16th of every month.

CONTACT INFORMATION
8. Who should I contact for further information or to lodge a complaint?
<p>a) For internal dispute resolution, you may contact ;</p> <p>Address : Customer Resolution Unit CIMB Islamic Bank Berhad P.O. Box 10338 GPO Kuala Lumpur 50710 Wilayah Persekutuan Tel : 603 6204 7788 Email : contactus@cimb.com</p> <p>b) If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the BNM TELELINK</p> <p>a. Via phone to : 1-300-88-5465 (1-300-88-LINK)</p> <p>b. Via fax to : +603-2174-1515</p> <p>c. Via email to : bnmtelelink@bnm.gov.my</p> <p>d. Via letter to : Laman Informasi Nasihat dan Khidmat (LINK) Bank Negara Malaysia P.O. Box 10922 50929 Kuala Lumpur</p>

The information provided in this disclosure sheet is valid as at 24 August 2024

WARNING

THE RETURNS ON THIS INVESTMENT ACCOUNT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSETS. THE PRINCIPAL AND RETURNS ARE NOT GUARANTEED AND CUSTOMER RISKS EARNING NO RETURNS AT ALL. THIS INVESTMENT ACCOUNT IS NOT PROTECTED BY PERBADANAN INSURANS DEPOSIT MALAYSIA (“PIDM”).