

IMPORTANT/DISCLAIMER

THIS IS AN INVESTMENT ACCOUNT PRODUCT THAT IS TIED TO THE PERFORMANCE OF UNDERLYING ASSETS AND 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 **TERM INVESTMENT ACCOUNT-i (TIA-i)**

PRODUCT NAME: TERM INVESTMENT ACCOUNT-i (TIA-i)
NOT PROTECTED BY PIDM

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

Applicable Shariah Contract	TIA-i is a term investment account based on a profit sharing (Mudarabah) contract. Mudarabah is a contract between the account holders as capital providers (Rabbul Mal) and CIMB Islamic Bank Berhad ("Bank") as entrepreneur (Mudarib) under which the account holder provides capital to be invested by the Bank into Shariah compliant businesses and any profit generated from the capital is shared between the account holder and the Bank according to a mutually pre-agreed profit sharing ratio (PSR) whilst financial losses are borne by the account holder provided that such losses are not due to the Bank's misconduct, negligence or breach of specified terms. The Bank as the entrepreneur will bear the losses in terms of time and effort.
Type Of Product	The product is classified as Unrestricted Investment Account ("UA") . UA refers to a type of investment where the account holder provides the Bank with the mandate to make the ultimate investment decisions without specifying any particular restrictions and/or conditions.
Parties Involved In The Investment Activities, Roles and Responsibility	<p>1. Account holder: The account holder as capital providers place funds in the TIA-i and accept all the terms and conditions specified for the TIA-i including but not limited to the investment objectives, minimum amount of initial investment, profit sharing ratio, profit distribution frequency, loss realization, tenure of the investment, upliftment of the investment and termination of the investment account.</p> <p>2. Bank: The bank as entrepreneur accepts the fund from the account holder under the <i>Mudarabah</i> contract and will manage the fund according to the terms and conditions agreed by the parties including but not limited to ensuring that the overall operation of the investment account is in compliance with Shariah and it is invested only in Shariah compliant businesses according to the investment objectives.</p>

PRODUCT SUITABILITY
2. Who is this product suitable for?

Type of Investor	For individual customers.
Return Objectives	To provide stable returns through low risk investments.
Whether Principal Investment will be at risk	Yes. However the risk is managed through diversified financing exposure with low risk appetite.

KEY PRODUCT FEATURES

3. What am I investing in?

Investment Objective	The investment objective is to generate stable returns while preserving the capital over an agreed investment period through low risk exposure.														
Investment Strategy	The fund will be invested in a diversified asset portfolio that generate stable returns with low risk.														
Minimum initial investment / tenure	The minimum investment placement per account holder will be: • RM1,000 for 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 15, 18 and 24 months tenure														
Profit Sharing Ratio (PSR)	Any profit generated from the capital is shared between the account holder and the Bank according to a mutually pre-agreed profit sharing ratio (PSR) of 50:50. The PSR may be revised upwards for the account holders as published at the branches and website.														
Sample Profit Calculation	<p>Sample of daily profit calculation is as per the table below.</p> <table border="1"> <tr> <td>Date of Placement</td><td>1 August 2023</td><td>Profit Sharing Ratio (PSR)</td><td>Customer : Bank 50 : 50</td></tr> <tr> <td>Principal (Investment Amount)</td><td>RM 30,000</td><td>Percentage of Net Return to Customer</td><td>4.00% p.a</td></tr> <tr> <td>Date of Maturity</td><td>31 August 2023</td><td>Investment Tenure</td><td>1 month</td></tr> </table> <p>(Numbers are for illustration purposes only)</p> <p>Note :</p> <p>Percentage of Net Return to Customer = Profit Sharing Ratio x Gross Profit</p> <p>Profit Calculation = Principal x Percentage of Return to Customer x No. of Days / 365</p> <p>Profit Payable to the Customer = RM 30,000 x 4.00% x 31/365 = RM 101.92</p>			Date of Placement	1 August 2023	Profit Sharing Ratio (PSR)	Customer : Bank 50 : 50	Principal (Investment Amount)	RM 30,000	Percentage of Net Return to Customer	4.00% p.a	Date of Maturity	31 August 2023	Investment Tenure	1 month
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Profit Distribution and Payment Method	<p>Profit distribution at maturity or on annual basis for tenure of more than 12 months.</p> <p>Payment of profit can be made by way of: -</p> <p>(a) Transfer to Current Account-i or Savings Account-i (CASA-i) / Current Account or Savings Account (CASA) or</p> <p>(b) Banker's Cheque</p>														
Profit Rate	The indicative and actual profit rate will be declared and published at the branches and website on a monthly basis.														
Auto Renewal/Rollover Upon Maturity	Renewal/Rollover of the TIA-i for the same or different tenure with or without profit. Instructions may be given by the account holder upfront or at any point of time before maturity. In the absence of a renewal/rollover instruction, the TIA-i will be automatically renewed with the same tenure.														
Account Opening	<p>(i) For TIA-i: Available at any of CIMB Islamic bank branches co-located at CIMB Bank branches.</p> <p>(ii) For eTIA-i: Accessible online via the CIMB Clicks website</p>														
Coverage by PIDM	Not eligible for protection by PIDM as this is not a deposit product.														

Key Terms & Conditions**(i) Upliftment at maturity**

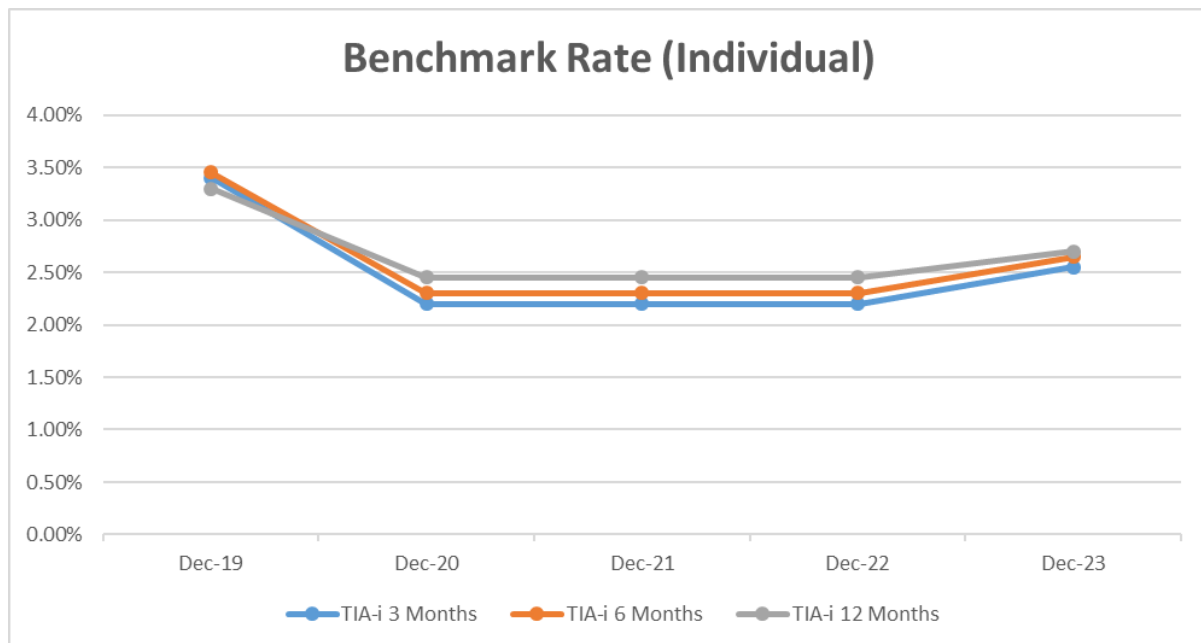
For TIA-i opened in CIMB branch, upliftment can only be done at any CIMB Islamic bank branches co-located at CIMB Bank branches.
For eTIA-i opened via CIMB Clicks, upliftment can be done at CIMB Clicks

(ii) Upliftment before maturity

Upliftment of full amount before maturity is allowed subject to agreement of the account holder to waive 50% of the unpaid accrued profit (if any). Losses (if any) will be realized into principal upon upliftment before maturity.

FUND PERFORMANCE**4. What are the possible outcomes of my investment?**

- Fund Performance



Indicative Profit Rate (p.a)	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23
TIA-i 3 Months	3.40%	2.20%	2.20%	2.20%	2.55%
TIA-i 6 Months	3.45%	2.30%	2.30%	2.30%	2.65%
TIA-i 12 Months	3.30%	2.45%	2.45%	2.45%	2.70%

- For full historical performance, customers may refer to the quarterly performance report published in CIMB Islamic website at www.cimb.com.my
- Past performance is not reflective of future performances

- Possible future gains and losses

Table 1 : Best Case Simulation

Overnight Policy Rate (OPR)	Net Rate of Return
3.50%	4.55%

Profit Calculation to customer based on **Best Case Simulation of Net Rate of Return (4.55%)** after applying Profit Sharing Ratio to customer

Profit to Customer

= Principal x Percentage of Return to Customer x No. of Days / 365

Profit to Customer

= RM 30,000 x 4.55% x 31/365

= RM 115.93

Table 2 : Flat Case Simulation

Overnight Policy Rate (OPR)	Net Rate of Return
3.00%	3.79%

Profit Calculation to customer based on **Flat Case Simulation of Net Rate of Return (3.79%)** after applying Profit Sharing Ratio to customer

Profit to Customer

= Principal x Percentage of Return to Customer x No. of Days / 365

Profit to Customer

= RM 30,000 x 3.79% x 31/365

= RM 96.58

Table 3 : Worst Case Simulation

Overnight Policy Rate (OPR)	Net Rate of Return
2.00%	2.45%

Profit Calculation to customer based on **Worst Case Simulation of Net Rate of Return (2.45%)** after applying Profit Sharing Ratio to customer

Profit to customer

= Principal x Percentage of return to customer x No. of days / 365

Profit to customer

= RM 30,000 x 2.45% x 31/365

= RM 62.42

(Numbers are for illustration purposes only)

Note: The Best Case and Worst Case scenarios are based on Overnight Policy Rate (OPR) movement of +/- 25bps from the current OPR rate of 3.00%. OPR levels are assumed to directly impact returns through full transfer of OPR increase / decrease to portfolio, and with all other factors remaining unchanged.

Profit will be distributed after applying the effective PSR on the Funds' performance. Losses arising from the investment shall be borne by the account holder as capital provider, unless it is due to the Bank's misconduct, negligence or breach of specified terms.

KEY RISKS

5. What are the key risks associated with product?

Market Risk	<p>Market risk is the possibility for an investor to experience losses due to factors that affect the overall performance of the financial markets in which may indirectly impact the performance of the underlying assets.</p> <p>The bank will monitor and manage market risk exposure using existing risk management system. This enables the Bank to manage the fund's position effectively within the approved risk framework imposed.</p>
Risk of capital loss	<p>The product carries the risk of reduction in the value of the original investment.</p> <p>In mitigating the risk, the Bank will invest the funds in a diversified asset portfolio. Portfolio rebalancing can be executed to ensure assets that are not conforming to the fund's strategies and objectives are rebalanced.</p>
Credit Risk	<p>Credit risk arises when a substantial amount of assets from the fund goes into default.</p> <p>The bank will closely monitor the performance of the selected assets and ensure the investment is aligned with the fund's strategies and objectives.</p>
Shariah Non-Compliance Risk	<p>Shariah Non-Compliance Risk is a risk that arises from the Bank's failure to comply with the Shariah rules and principles determined by the Bank's Shariah Committee or regulatory councils.</p> <p>The Bank will monitor with guidance from the Bank's Shariah Committee to ensure the investment complies with the Shariah rules and principles.</p>
Liquidity Risk	<p>Liquidity risk is the risk that the Bank may be unable to meet short term withdrawal demands from account holder.</p> <p>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 liquidity framework as prescribed by BNM.</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.

No.	Types of Charges	Charge
1.	Reproduction/Re-print of Statements for TIA-i for any period	RM2.00 (per page)

VALUATIONS

7. Valuation strategy adopted, frequency and where valuations are published (web address where valuations are published)

- Our valuation methodology is objective, robust, verifiable and consistent with the Malaysian Financial Reporting Standards ("MFRS").
- The bank will be monitoring the asset performance on a monthly basis. Performance of Funds will be available in quarterly basis at www.cimb.com.my

CONTACT INFORMATION

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

- a) For internal dispute resolution, you may contact ;
CIMB Islamic Bank Berhad
Customer Resolution Unit (CRU)
P.O. Box 10338
GPO Kuala Lumpur
50710 Wilayah Persekutuan
Tel No : 603 6204 7788
Email : contactus@cimb.com
- b) If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the BNM TELELINK
 - a. Via phone to : 1-300-88-5465 (1-300-88-LINK)
 - b. Via fax to : +603-2174-1515
 - c. Via email to : bnmtelelink@bnm.gov.my
 - d. Via letter to : Laman Informasi Nasihat dan Khidmat (LINK)
Bank Negara Malaysia
P.O. Box 10922
50929 Kuala Lumpur

The information provided in this disclosure sheet is valid as at 10 December 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 ACCOUNT HOLDER RISKS EARNING NO RETURNS AT ALL. IF THE INVESTMENT IS REDEEMED EARLY, ACCOUNT HOLDER MAY SUFFER LOSSES IN PART OR THE ENTIRE PRINCIPAL SUM INVESTED. THIS INVESTMENT ACCOUNT IS NOT PROTECTED BY PERBADANAN INSURANS DEPOSIT MALAYSIA ("PIDM").