



## **TERMS AND CONDITIONS OF PB eTERM DEPOSIT-i (PB eTD-i)**

### **Part A: Shariah and Commodity Murabahah**

#### **1. Shariah Law**

- 1.1 The operation of the account shall be subject to the nature of the Account holder's business or occupation not being against Shariah Law and principles. Public Islamic Bank Berhad (the "Bank") reserves the right to close the account if the nature of the business or the Account holder's occupation has changed from a lawful (halal) to an unlawful/prohibited (haram) activity.

#### **2. Commodity Murabahah via Tawarruq Arrangement**

- 2.1 The Shariah contract applicable is Commodity Murabahah (CM) via Tawarruq Arrangement in which the Account holder appoints the Bank under Wakalah contract, as his/her agent to buy Commodity from any commodity traders and subsequently, sell the Commodity to the Bank on deferred payment at the Selling Price i.e. Deferred Sale Price. Selling Price is as defined under Part A Clause 4.4.
- 2.2 "Commodity" refers to the commodity that is halal and comply to Shariah principles, without the Bank's warranties on quality, condition, quantity and description and without liability on any loss or deterioration of the commodity.
- 2.3 "Murabahah" refers to the purchase and sale of the commodity at cost plus profit margin which are disclosed to the purchaser.
- 2.4 "Tawarruq" means two (2) sale and purchase contracts where the first involves the sale of goods and commodities to a purchaser on a deferred basis and the subsequent sale involves sale of goods and commodities to a third party on a cash basis.
- 2.5 "Wakalah (Agency)" means a contract in which a party mandates another party as his/her/their agent to perform a particular task in matters that may be delegated voluntarily or with imposition of a fee.
- 2.6 "Wa'd (Promise)" means the Bank who acts as the "Commodity Purchaser" shall provide a promise and agree to purchase the Commodity from the Account holder upon completion of the Purchase Transaction.
- 2.7 "Ibra' (Rebate)" means rebate that represents the "waiver on rights of claim" accorded by a person to another person that has an obligation which is due to him.

#### **3. Appointment of the Bank as an Agent**

- 3.1 Under the Wakalah contract, the Account holder agrees to appoint the Bank and the Bank agrees to accept the appointment as the agent of the Account holder to do and execute all acts for the purchase and sale of the Commodity in accordance with these Terms and Conditions and to negotiate with the Commodity traders, industrial firms, their suppliers ("Supplier") and their clients on behalf of the Account holder in relation to the purchase of the Commodity.

Each transaction will be entered into by the Bank in the name of the Account holder. The Bank will, in performing its obligations and activities act in good faith and in the best interest of the Account holder.

- 3.2 The Bank shall not be obliged to enter into any transaction, nor follow any instruction of the Account holder, if in the opinion of the Bank by entering into such transaction or following such instruction, the Bank or any of its affiliate would be in contravention or violation of any law, policy, rule or regulation.
- 3.3 The Account holder shall be entitled to request and take physical delivery of the Commodity. In the event the Account holder were to exercise such right to take physical delivery, all costs and expenses in relation to this shall be borne by the Account holder.
- 3.4 The Account holder shall indemnify and keep the Bank indemnified at all times against all losses, claims, actions, proceedings, damages, costs and expenses which may be brought or claimed by any party and/or incurred or sustained by the Bank as a result of the purchase of Commodity under any transaction as agent of the Account holder or a breach by the Account holder of any of his/her/their obligation in these Terms and Conditions except for any losses or damages as a result of the Bank's default, negligence or breach of specified terms by the Bank. This indemnity shall continue to be applicable even after:-
- 3.4.1 The closure of the PB eTerm Deposit-i (PB eTD-i) by the Account holder or the Bank; and/or
- 3.4.2 The termination of the banker-customer relationship.
- All sum payable under this indemnity shall not be subject to any deduction either by way of set off, counter claim or otherwise.
- 3.5 The appointment of the Bank as an agent shall be completed upon fulfilment of the Bank's obligations as agent to purchase and agent to sell on behalf of the Account holder.

#### **4. Commodity Murabahah Transactions**

- 4.1 The Commodity Murabahah transactions shall be executed on Trading days as follows:-
- 4.1.1 The Account holder instructs the Bank (as agent) to enter into a purchase transaction ("Purchase Transaction") for the purchase of the Commodity for the amount desired to be deposited during the Tenure;
- 4.1.2 The Account holder shall immediately pay the Purchase Price i.e. PB eTD-i placement amount to the Bank for the Purchase Transaction;
- 4.1.3 The Bank, then as the agent for and on behalf of the Account holder, will purchase the Commodity at the Purchase Price from the Supplier for the Tenure;
- 4.1.4 Subsequently, the Bank (as the agent to sell on behalf of the Account holder) may sell and the Bank (as the purchaser) may purchase the Commodity at a Deferred Sale Price ("Sale Transaction");
- 4.1.5 The Purchase Transaction shall be executed on the same day of PB eTD-i placements made between 9.30 a.m. to 4.00 p.m. from Monday to Friday i.e. Trading day. Any placement made after the stipulated time will be effective on the next Trading day.
- 4.2 If the Trading Day is later than the date the Purchase Price (deposited amount) is deposited to the Bank, the Purchase Price will be treated as Qard (loan) to the Bank prior to the Purchase Transaction. In this regard, the Account holder consents for the Bank to deal with the Purchase Price in any manner deemed fit by the Bank and would thereby be fully accountable for it.
- 4.3 No transaction can be made in any Commodity that consists of pork, alcoholic drinks, tobacco, narcotics, gold, silver or any other items which are not acceptable to the Bank.

4.4 The Selling Price shall be computed as follows:-

$$\text{Selling Price} = \text{PB eTD-i Deposit Amount} + \text{Total Profit}$$

4.5 The brokerage/trading fees to buy and sell the Commodity will be borne by the Bank.

## 5. Profit Computation/Profit Payment

5.1 The profit computation is derived as follows:-

$$\text{Profit} = P \times R \times T / 365 \text{ or } 366$$

Where:-

P = Deposit Amount

R = Profit Rate

T = Tenure (number of days, from placement date to maturity date)

## 6. Ibra' (Rebate)

6.1 Regardless of the formula for the profit as stated in Clause 5.1 of Part A: Shariah and Commodity Murabahah, the Account holder agrees to provide Ibra' (rebate) in accordance with the circumstances as stated herein in these Terms and Conditions.

The Account holder consents to grant Ibra' (rebate) to the Bank upon the occurrence of certain events including but not limited to withdrawal of the funds or deposits prior to the Maturity Date.

6.2 The computation of Ibra' (rebate) is based on the following formula:-

$$\text{Ibra' (Rebate)} = \text{Selling Price} - \text{Deposit Amount} - [\text{Profit} (1 - 100\% \text{ or } 50\%)]$$

## Part B: General Terms and Conditions

### 1. Eligibility

1.1 PB eTD-i is a Shariah-compliant term deposit account which allows creation of term deposit account, placements and withdrawals to be performed through PBe Online Banking and PB engage MY Mobile Banking ("PBe").

1.2 PB eTD-i is an Islamic term deposit product.

1.3 PB eTD-i is only available to:-

a) Individual customers aged eighteen (18) years and above and sole proprietor, who have existing personal Current Account/Current Account-i or Savings Account/Savings Account-i (CASA/CASA-i) and who have registered for PBe; and

- b) Malaysians without any Foreign Account Tax Compliance Act (FATCA) and/or Common Reporting Standard (CRS) indicia:-

FATCA Indicia	CRS Indicia
<p>a. A United States (U.S.) Person i.e. U.S. Permanent Resident (Green-Card holder), U.S. Tax Resident or a Person with substantial physical presence in the U.S.</p> <p>b. A person who is having:-</p> <ul style="list-style-type: none"> <li>• U.S. telephone number and do not have any Non-U.S. telephone number.</li> <li>• U.S. residential/ mailing address (including a U.S. P.O. box address).</li> <li>• Standing instruction to transfer funds to an account maintained in the U.S.</li> <li>• Power of attorney with an address in the U.S.</li> <li>• Hold mail address/in-care-of address in U.S. which is the sole address.</li> <li>• U.S. place of birth.</li> </ul>	<p>a. A Non U.S. Foreign (NUF) tax resident i.e. a person who is having tax residency in a foreign country other than U.S.</p> <p>b. A person who is having:-</p> <ul style="list-style-type: none"> <li>• NUF telephone number and do not have any Malaysia telephone number.</li> <li>• NUF residential/ mailing address (including a NUF P.O. box address).</li> <li>• Standing instruction to transfer funds to an account maintained in a NUF country.</li> <li>• Power of attorney or signatory granted to a person with an address in a NUF country.</li> <li>• Hold mail address/in-care-of address in a NUF country which is the sole address.</li> </ul>

1.4 The PB eTD-i is not available to:-

- a) Joint CASA/CASA-i; and
- b) Non-individuals i.e. partnership, corporate entities, associations, clubs and societies.

## 2. Account Opening and Placement

2.1 PB eTD-i can only be opened and transacted through PBe.

2.2 Over the counter transactions are NOT allowed.

2.3 A CASA/CASA-i must be selected during the PB eTD-i Account opening (“Designated CASA”) and tagged to the PB eTD-i Account for placement/withdrawal/ profit crediting purposes. The PB eTD-i will then be linked to the Designated CASA.

2.4 The PB eTD-i Account holder’s information will be the same as the information captured from the Designated CASA.

2.5 The Designated CASA is to be kept active and can only be closed when all outstanding PB eTD-i placement(s) have been withdrawn and the withdrawal proceeds have been credited to the Designated CASA.

- 2.6 The source of funds for the PB eTD-i placement can be debited from the Designated CASA or by way of fund transfer from other banks via the Financial Process Exchange (FPX).

For placement via FPX fund transfer, the maximum deposit amount per transaction is based on the limit permitted by the Bank or the limit permitted by and set with the relevant banks in relation to such transfer, whichever is lower. Any profit crediting or payment of withdrawal proceeds will be credited to the Designated CASA maintained with the Bank or Public Bank Berhad.

- 2.7 Multiple placements into the PB eTD-i are allowed.
- 2.8 Placements of each PB eTD-i must be made for a period of between one (1) month to twenty-four (24) months, thirty-six (36) months, forty-eight (48) months and sixty (60) months or any other period and at such profit rate to be determined by the Bank at any time.
- 2.9 The minimum placement for the PB eTD-i shall be Ringgit Malaysia One Thousand (RM1,000) only for all PB eTD-i tenures.
- 2.10 The effective date of the PB eTD-i placement will be on the same day of placement if successfully placed via PBe.
- 2.11 No physical Term Deposit-i (TD-i) Receipt will be issued for the PB eTD-i placement. In the absence of a physical TD-i Receipt, the placement reflected online will be binding on the Account holder as well as the Bank.
- 2.12 Upon successful placement, the PB eTD-i Placement/Renewal Slip will be generated which will contain details of the placement. Transactions in the PB eTD-i will also be reflected in the quarterly statement of the PB eTD-i, which will be made available online via PBe.
- 2.13 Placements in the PB eTD-i shall NOT be used as collateral for pledging purposes.

### 3. **Profit Rate and Profit Payment**

- 3.1 Profit on this PB eTD-i will cease at due date. Accrued profit on the PB eTD-i is subject to the Bank's right to withhold such sum(s) as are required as withholding or other taxes, levies or impositions from time to time.
- 3.2 With effect from 8 November 2019, the profit payment mode of crediting into the Designated CASA on a monthly basis will be discontinued.

By way of illustration, the profit payment mode of new placements and renewal of existing placements will be as follows:-

Tenure	Profit Payment Mode	
	New Placements/Renewal of Existing Placements Before 8 November 2019	New Placements/Renewal of Existing Placements From 8 November 2019 Onwards
1 to 12 Months	<ul style="list-style-type: none"> <li>• Credit to the Designated CASA on monthly basis</li> <li>• Credit to the Designated CASA upon maturity</li> <li>• Add to the principal upon maturity</li> </ul>	<ul style="list-style-type: none"> <li>• Credit to the Designated CASA upon maturity</li> <li>• Add to the principal upon maturity</li> </ul>
13 Months and Above	<ul style="list-style-type: none"> <li>• Credit to the Designated CASA on monthly basis</li> </ul>	<ul style="list-style-type: none"> <li>• Credit to the Designated CASA on six (6) monthly basis</li> </ul>

3.3 The profit payment mode is to be selected upon placement of the PB eTD-i.

3.4 Profit is calculated to the actual number of days.

#### **4. Withdrawals**

4.1 Withdrawals of PB eTD-i can only be performed via PBe and partial withdrawals of any PB eTD-i are NOT allowed.

4.2 Upon withdrawal of a PB eTD-i, the principal sum and profit accrued thereon (if any), shall be automatically credited into the Designated CASA.

4.3 PB eTD-i placement made via debiting of Designated CASA can be withdrawn on the same day of placement via the same platform, i.e. Only PB eTD-i placed via PBe Online Banking can be withdrawn via PBe Online Banking (vice versa). However, both the placement and withdrawal transaction on the particular day will not be reflected in the PB eTD-i quarterly statement.

4.4 PB eTD-i placement made via FPX fund transfer is not allowed to be withdrawn on the same day of placement.

4.5 For PB eTD-i placement made via FPX fund transfer, any profit or withdrawal proceed will be credited to the Designated CASA.

#### **5. Premature Withdrawal**

5.1 Premature withdrawal of PB eTD-i can only be performed via PBe.

5.2 No profit will be paid for premature withdrawal of PB eTD-i.

#### **6. Renewal/Rollover**

6.1 Upon maturity, the PB eTD-i shall be automatically renewed for the same period at the prevailing profit rates.

#### **7. Availability of PB eTD-i Transactions**

7.1 All PB eTD-i transactions will be made available via PBe from six (6) a.m. to twelve (12) midnight, seven (7) days a week, or during such hours as stipulated by the Bank at PBe except for PB eTD-i placement via FPX fund transfer.

7.2 PB eTD-i placement via FPX fund transfer can only be made via PBe from six (6) a.m. to eleven (11) p.m., seven (7) days a week, or during such hours as stipulated by the Bank at PBe.

#### **8. Liability**

8.1 The Account holder gives its consent to the Bank to disclose information which may be required by Bank Negara Malaysia in compliance with their directives and/or to companies in the Public Bank Group and other financial institutions for the purpose of a bona fide credit evaluation.

8.2 Should the Bank retain or is obliged to retain solicitors to enforce any of its rights under these Terms and Conditions or otherwise whether by judicial proceedings or any other manner in relation to the PB eTD-i Account, the Account holder shall be liable to pay to the Bank all costs, fees and charges in relation to such retention. The Bank shall have the right to debit the Account holder's Designated CASA or the PB eTD-i Account for such costs, fees and charges.

**9. Suspension of PB eTD-i Account**

9.1 The Account holder's PB eTD-i account and/or the operation of the PB eTD-i account may be closed, terminated, suspended or frozen under any of the following circumstances:-

- a) The Account holder's death, insanity or bankruptcy; and/or
- b) The service of any legal process or order by the court on the Bank against the Account holder.

**10. Right of Set-Off**

10.1 In addition to any general lien or other similar right to which the Bank as bankers may be entitled at law, the Bank may, with seven (7) calendar days prior notice, combine or consolidate all or any of the Account holder's banking accounts with and the liabilities to the Bank and set off or transfer any sum or sums standing in the credit of this PB eTD-i Account in or towards satisfaction of any of Account holder's liabilities to the Bank whether such liabilities to the Bank be present, future, actual, contingent, primary or collateral or several or joint.

**11. Statement of Account**

11.1 A quarterly account statement listing out the individual PB eTD-i and the related transactions will be issued by the Bank and made available online via the PBe mailbox.

11.2 The Account holder is to examine with due care all the entries in the statement promptly and to report immediately to the Bank of any error or discrepancies found therein. If the Bank does not receive any notification in writing within twenty-one (21) calendar days from the statement date of any errors or discrepancies as regards to the withdrawal or placement transactions in the statement, then the Account holder shall be treated as having accepted such entries made up to the date of the last entry in the statement as correct.

**12. Islamic Financial Services Act 2013 (IFSA) and Bank Negara Malaysia (BNM) Guidelines on Product Transparency And Disclosure**

12.1 The Account holder understands and acknowledges that pursuant to Section 146 of the Islamic Financial Services Act ("IFSA") 2013, the Bank is legally permitted to disclose the Account holder's information relating to the Account holder's affairs, banking accounts or conduct thereof (including the Account holder's credit standing) to third parties as approved by BNM to facilitate and/or enable the Bank and/or the related and associate companies within the Public Bank Group to perform its and/or their functions. The Account holder hereby irrevocably consents to and authorises the Bank to disclose the said information to any guarantor(s)/security parties, the Bank's lawyers, debt collection agents, third parties and/or related and associate companies within the Public Bank Group at any time as the Bank may determine or decide is expedient to enable the Bank and/or the related and associate companies within the Public Bank Group to perform its and/or their functions.

**13. Data Protection Notice and Consent**

13.1 The Account holder is aware that the Bank's Privacy Notice on the collection, use, storage and sharing of the Account holder's personal information and matters related thereto are available at the Bank's website. The Bank's Privacy Notice may also be obtained from any of the Bank's branches.

13.2 The Account holder is aware of the Bank's intention to keep the Account holder informed of important information, announcements and news about the products and services including promotional offers and marketing material of the Bank and its Affiliates. The list of the Bank's Affiliates are set out in the Bank's Privacy Notice.

13.3 The Account holder understands that the Account holder is entitled to obtain access to and to request correction of any personal information held by the Bank and that the Account holder can inform the Bank to cease using the Account holder's personal information for the purposes stated in Part B: General Terms and Conditions Clause 13.2 above and that such request can be made in writing to the Bank at the account holding branch or by sending it to Customer Services Department, 13th Floor, Menara Public Bank, 146 Jalan Ampang, 50450 Kuala Lumpur.

#### **14. Unclaimed Moneys Act 1965**

14.1 Pursuant to the provisions of the Unclaimed Monies Act 1965:-

a) PB eTD-i on automatic renewal will be classified as unclaimed money seven (7) years from the date of the last transaction initiated by the Account holder; and

b) The funds in the PB eTD-i Account are required to be transferred to the Registrar of Unclaimed Moneys (RUM).

14.2 The Account holder agrees to come to the Bank in person prior to the expiry of the seven (7) years to re-activate the account.

14.3 In the event that the Account holder fails, neglects and/or refuses to re-activate the account, the Bank shall give the Account holder twenty-one (21) calendar days prior written notice before arranging to transfer the funds in the PB eTD-i Account to the RUM.

#### **15. Notices and Communication**

15.1 The Account holder shall notify the Bank of any change of address. All communications by the Bank, addressed to or delivered to the Account holder shall be duly delivered if sent to the Account holder's last known address registered with the Bank.

15.2 All notices and communications to the Account holder will be in writing and may be sent to the Account holder by internet e-mail or by displaying the same at the Bank's premises and website. All legal processes shall be duly delivered and received if sent to the Account holder by post to or left at his address last registered with the Bank.

15.3 The Bank may levy or vary any approved fees and charges by giving twenty-one (21) calendar days prior written notice by displaying the new fees and charges at the Bank's premises and website.

#### **16. Anti-Bribery and Anti-Corruption**

16.1 The Bank has implemented its Anti-Bribery and Anti-Corruption Policy ("ABAC Policy") which adopts a "zero-tolerance approach" towards any form of bribery and corruption in conducting its business. For more information on the ABAC Policy, please visit the Bank's website.

16.2 The account holder shall ensure compliance with the ABAC Policy at all times and shall not engage in any acts of bribery or corruption that would be considered to be contrary to the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act"), guidelines, by-laws, regulations and any re-enactments of the MACC Act.

16.3 The Bank has the right to terminate the products and/or services provided to the account holder immediately in the event the account holder is found to be in breach of the ABAC Policy or found to be involved in any acts of bribery or corrupt practices.



## 17. Others

17.1 The Account holder declares that prior to or at the time of the opening of this PB eTD-i Account, the Account holder has not:-

- a) Committed any act of bankruptcy; and/or
- b) Been subject to any petition for insolvency being made or presented against him.

The Bank shall have the right at any time to close this PB eTD-i Account without prior notice in the event the Account holder commits an act of bankruptcy or a petition for insolvency is presented against him.

17.2 By accepting these Terms and Conditions, the Account holder confirms that the Account holder has read and fully understood the Bank's PBe Terms and Conditions. The Account holder further agrees to comply with and be bound by and any amendment(s) or variation(s) to the same which the Bank may subsequently introduce, which will be made available on the Bank's website and/or on the notice board at branches and/or which may be communicated by any other approved means.

The Account holder continuing to maintain and operating the PB eTD-i Account shall be construed as the Account holder's acceptance to the amendments or variations to the PBe Terms and Conditions.

17.3 Regardless of any provisions in these Terms and Conditions, the Bank reserves the right to prevent any operation on this PB eTD-i Account if the Bank suspects that the said account is being used for any illegal purpose whatsoever.

17.4 These Terms and Conditions shall be subject to the provisions of the IFSA 2013 and any other modifications thereto and any directive from Bank Negara Malaysia or as may be directed or required by a regulatory body from time to time.

17.5 The Bank may vary, amend or revise any of the terms and conditions herein, features and benefits of the account by giving twenty-one (21) calendar days prior notice and without having to assign any reason. All changes shall be published vide the Bank's website and Bank's premises or any other approved method.

17.6 The Bank may accept or reject the opening of the PB eTD-i account without assigning any reason.

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