

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

TERMS AND CONDITIONS FOR TERM INVESTMENT ACCOUNT-i
(Effective Date: 24 October 2024)

These Terms and Conditions are applicable for Term Investment Account-i provided by the Bank. The Bank may introduce Investment Account with further terms and different features from time to time. The specific features, benefits, provisions, terms and conditions ("Specific Terms and Conditions") for the same may be made available in relevant terms and conditions, forms, product brochures, promotional materials, media advertisement or the Bank's Website.

1.0 GENERAL

- 1.1 These Terms and Conditions are governing Term Investment Account ("TIA-i") product opened and maintained by the Investment Accountholders ("IAH") with the Bank. By opening, maintaining and using the account, (as hereinafter defined), the IAH are deemed to have read, understood and accepted every term and agreed to be bound by these Terms and Conditions.
- 1.2 This product is governed by the relevant laws of Malaysia and Shariah principle.

2.0 DEFINITION

The following words in these Terms and Conditions will have the meanings assigned to them, unless the context otherwise requires:

'Authorised Signatories' means any person duly authorised by the IAH in writing to the Bank to operate the account.

'Bank' means MBSB Bank Berhad, their respective predecessors-in-title, successors-in-title and assigns.

'BNM' means Bank Negara Malaysia.

'Business Days' means a day which MBSB Bank is open for business in Peninsular Malaysia, Sabah or Sarawak, as the case may be.

'Current Account-i & Saving Account-i' or **'CASA-i'** is the Current Account-i and Savings Account-i and any other new CASA-i which may be offered by the Bank from time to time.

'Person' means without limitation: natural persons, partnerships, sole-proprietorships, firms, companies, corporations, body corporate, societies, associations, unincorporated associations/ body of persons, trusts, organizations, statutory bodies, government entities, state/ agency of a state and other legal entities recognised under the laws of Malaysia.

'General Terms and Conditions' means this General Terms and Conditions.

'Investment Account' or **'IA product'** means Investment Account product which may be offered by the Bank to the IAH from time to time.

'Investment Accountholder' or **'IAH'** means the person under whose name the account has been opened and maintained with the Bank.

'Online Suitability Assessment Form' / **'Suitability Assessment Form'** or **'e-SAF'** / **'Suitability Assessment Form'** means the assessment to assess the suitability of the prospective IAH, applicable to individual and Small and Medium Enterprises (SMEs) customers on the IA product via online application and over the counter.

'Joint Account' means the account opened and operated by two / more natural persons.

'Joint IAH' means the Investment Account Holder in a Joint Account.

'Malaysian Financial Reporting Standard' or **'MFRS'** refers to framework introduced by Malaysian Accounting Standards Board (MASB) and came into effect on 1 January 2012.

'MJourney' means the internet/ electronic banking facilities and/ or services provided by MBSB Bank by whatever name designated, for you to perform the services via the internet by electronic means via the use of personal computer terminal or other electronic device (including mobile devices) which you may access upon the correct input of your Login Credentials. For the purpose of these Terms and Conditions, references to MJourney means and include reference to MBSB Online Banking, which may be accessed by you through the internet using personal computers or other electronic devices (including mobile devices).

'Mudarabah' means the Shariah contract where the IAH acts as the capital provider (*rabbul mal*) whilst the Bank acts as the entrepreneur (*mudarib*).

'Personal Data Protection Act 2010' or **'PDPA'** means an act to regulate the processing of personal data in commercial transactions and to provide for matters connected therewith and incidental thereto.

'Product Disclosure Sheet' or **'PDS'** means the product disclosure sheet which contains the relevant information and disclosure of the main terms of the relevant Investment Account product.

'Profit Sharing Ratio' or **'PSR'** means the ratio in which the profits are shared between the Bank and the IAH.

'Services' means services provided by the Bank in relation to the account or based on instructions from IAH or through ATM, cash deposit machine, cheque deposit machine, telephone, mobile phone and internet.

'Small and Medium Enterprises or SMEs' means a business if it meets either one of the two specified criteria, namely sales turnover or full-time employees, whichever is lower. Manufacturing: Sales turnover not exceeding RM50 million or full-time employees not exceeding 200 workers. Services and other sectors: Sales turnover not exceeding RM20 million or full-time employees not exceeding 75 workers.

'Term Investment Account-i or TIA-i' refers to TIA-i product that operates under Shariah contract of *Mudarabah*.

'Unrestricted Investment Account' means a type of Investment Account where the IAH provides the Bank with the mandate to make the ultimate investment decision without specifying any particular restrictions or conditions.

3.0 SOURCE OF FUND

- 3.1 The IAH takes full responsibility and accountability to ensure that any and all funds invested and transferred by the IAH or the Bank upon receiving the IAH's instructions into the account are in adherence with the principles of Shariah. The IAH must fully understand that investing funds which are not in adherence with the principles of Shariah into the account is not permissible and in the event of non-compliance; the IAH agrees and undertakes not to hold the Bank liable for any reason.

4.0 SHARIAH PRINCIPLES

- 4.1 The TIA-i is an Unrestricted Investment Account product that is based on the Shariah concept of Mudarabah.
- 4.2 Under TIA-i, the IAH as the capital provider (Rabbul Mal) provides the capital to the Bank as entrepreneur (Mudarib) to undertake investment activities and any profit generated from the investment activities will be shared based on pre-agreed profit sharing ratio. Any losses will be borne by the IAH provided that such losses are not due to the Bank's misconduct, negligence, or breach of specified terms.
- 4.3 The PSR shall be 50:50 between the IAH and the Bank.
- 4.4 IAH agrees that The Bank may revise the PSR during the tenure of Mudarabah contract for the benefit of the IAH, without the IAH prior consent.
- 4.5 In the event that the actual profit exceeds the indicative rate, the IAH hereby agrees to waive any excess and consents that the excess shall be retained by the Bank. Contrarily, should the actual profit be lower than the indicative rate, Bank is obliged to pay the actual profit to the IAH based on the PSR.
- 4.6 The IAH acknowledges that he/ she fully understands the risks associated with TIA-i including the possibility to incur financial losses in whole or in part of his/ her capital investment in TIA-i.

5.0 INVESTMENT OBJECTIVES AND STRATEGIES

- 5.1 The TIA-i product will be governed by the investment objectives and strategies as set out in its respective PDS.

6.0 OPENING OF TIA-i ACCOUNT

- 6.1 The IAH must open CASA-i with the Bank first prior to opening TIA-i. For prospective IAH without CASA-i, he/she, IAH would have option to open CASA-i via online account opening or walk into the branch. The IAH will have to comply with all the Bank's rules and requirements to open CASA-i.
- 6.2 Upon successful establishment of the CASA-i, the IAH shall have the option to commence the process of opening TIA-i either through online subscription via MJourney or visiting the branch physically.
- 6.3 Through online subscription via MJourney, the IAH may subscribe to any of IA product available. Prior to the placement of TIA-i, the IAH must complete the e-SAF to determine the risk profile. By providing details for the online account opening, the IAH consents and authorizes the Bank to conduct a search on the IAH for the purpose of account opening.
- 6.4 Meanwhile through visiting the branch, the IAH is required to fill in the investment account application form. Similarly, the IAH is required to complete the e-SAF to determine their risk profile. By providing details for the account opening, the IAH consents and authorizes the Bank to conduct a search on the IAH for the purpose of account opening.
- 6.5 The TIA-i will be opened after completion of the relevant forms by providing the necessary documents and information required in compliance with the Bank's procedures for opening of the account.
- 6.6 At the request of the Bank, the IAH will provide his/her specimen signature, execute such documents, perform such act and furnish such documents (including, without limitation any identity documents to the satisfaction of the Bank) as the Bank may consider expedient in opening of the account. If the IAH fails to do so within the period stipulated by the Bank, the Bank may refuse to open the account.
- 6.7 The opening of TIA-i is governed by this Terms and Conditions and/ or such other conditions which may be applicable to account with special features as set forth in the specific application forms and/ or brochures.

- 6.8 The acceptance of any application for the opening and the continuance of the account shall be at the discretion of the Bank.

- 6.9 The Bank may stipulate and vary, from time to time, with at least twenty-one (21) days' prior written notice (which also includes via electronic means) to the IAH the minimum amount of initial placement investment required to open the IA product based on the product type.

7.0 PLACEMENT OF TIA-i INVESTMENT

- 7.1 Any placement into TIA-i must be done in Ringgit Malaysia (RM) only.
- 7.2 The IAH except for non-individual customers, must complete e-SAF prior to the placement into TIA-i to determine their risk profile.
- 7.3 The minimum investment amount of TIA-i may be referred to the respective PDS.
- 7.4 The investment can be made via debiting from Bank's CASA-i or cash or cheque or any other mediums or services acceptable by the Bank.

8.0 VALUATION METHOD AND FREQUENCY

- 8.1 Valuation will be carried out in line with the recognition and measurement criteria of the applicable Malaysian Financial Reporting Standards ("MFRS").

9.0 WITHDRAWAL OF TIA-i INVESTMENT

- 9.1 The partial withdrawal of TIA-i is not allowed.
- 9.2 The Bank will allow early withdrawal subject to the following conditions:
- Withdrawal 7 days from the date of placement – Only 10% of remaining profit will be paid while the available principal will be credited into the CASA-i.
 - Withdrawal 7 days after the date of placement until before maturity – Only 50% of remaining profit (if any) will be paid with the available principal will be credited into the CASA-i.
- 9.3 Any withdrawal to be made from the TIA-i may be subject to such requirements of the Bank and/or subject to the prevailing practice of the Bank. The IAH may refer to the withdrawal conditions sets out in the PDS.
- 9.4 The IAH hereby agrees that the Bank's determination of any amount payable to the IAH under the account except for manifest error will be final, conclusive and binding against the IAH.

10.0 TERMINATION OR SUSPENSION OF TIA-i

- 10.1 The Bank may at its discretion or to comply with any direction from any competent regulator or authority or court order and upon prior notice to the IAH, terminate or suspend the account or any part or parts thereof.
- 10.2 The Bank will have the right to suspend any upliftment on the account. However, suspension of the upliftment can only be invoked under the following circumstances:
- Exceptional circumstances, considering the interest of the account holder, which includes: (i) market wide failures or financial/economic crisis such as stock-market crash or asset-price crash; (ii) operational issues such as wide-scaled blackout or system failure; and (iii) force majeure.
 - In the best interest of the IAH, where: (i) investment portfolio cannot be liquidated at appropriate price and terms to honour redemption, (ii) the interest of the IAH would be materially affected if dealings were not suspended, and (iii) any other event or circumstances which the Bank may in its reasonable discretion determine.

- 10.3 Following the termination or suspension of the account, the underlying asset will be valued in accordance with valuation methodology as provided herein and the value of profit or loss of the investment and the investment capital will be determined by the Bank as at the effective date of such termination or suspension and will be made available to the IAH for withdrawal (less any banking fees and charges), by such effective date subject to any terms, requirement, directives as may be imposed by any competent regulator or authority or court order.
- 11.0 JOINT ACCOUNT**
- 11.1 The liabilities and obligations of Joint IAHs will be joint and several and notice to one of the Joint IAHs will be deemed as notice to the other.
- 11.2 The Bank will be entitled to deal separately with each joint IAH on any matters related to the Joint Account, including the discharge of any liabilities to any extent, without affecting the liabilities of the other Joint IAH.
- 11.3 Notwithstanding any terms of mandate provided to the Bank by the Joint IAHs, any of the Joint IAH will be entitled to withdraw / revoke his mandate provided to the Bank.
- 11.4 In the event any of the joint IAH revoke his mandate, the Bank will be entitled to freeze all withdrawals from the Joint Account until receipt of a joint written instruction from all Joint IAHs to reactivate the Joint Account with a new mandate.
- 11.5 An instruction by a joint IAH to freeze the Joint Account would be deemed to mean the mandate given by the Joint IAH has been revoked and the Bank will freeze all withdrawals until receipt of joint written instructions from all joint IAHs.
- 11.6 Joint IAHs authorise the Bank to collect and accept for the credit of their Joint Account any cheques payable to any one of the Joint IAH personally / two / more of them jointly and agree that the Bank need not concern itself as to whether the cheques were drawn with the knowledge of all Joint IAHs and/or how such sums credited to the Joint Account are applied and/or withdrawn so long as such application and/or withdrawal is in accordance with the mandate given to the Bank.
- 12.0 IAH'S CAPACITY TO CONTRACT**
- 12.1 The IAH must have the capacity to enter into a contract. Only an individual who has attained the age of eighteen (18) years and above may open the account under his/her own name. A minor may also open TIA-i but the account will be opened jointly and operated only by the parent/legal guardian ("Trustee").
- 12.2 The TIA-i can be closed at the request of the IAH, by operation of the applicable laws of Malaysia. The Bank will be entitled to freeze the account in the event of death, bankruptcy or insanity of IAH.
- 13.0 CONSOLIDATION AND RIGHT TO SET-OFF**
- 13.1 The Bank, in addition to any general lien or other similar right to which it is entitled by the applicable laws of Malaysia, may at any time, with sufficient notice, consolidate any or all of the IAH's facility account (if any) with the IAH's liabilities to the Bank. By giving at least seven (7) days' prior written notice (which also includes via electronic means) to the IAH, the Bank may also and set-off or transfer any sum or sums standing in the credit of any one or more of the IAH's account including the TIA-i in or towards satisfaction of any of the liabilities of the IAH to the Bank whether such liabilities to the Bank be primary or collateral or joint and several.
- 13.2 The IAH agrees that the Bank will be entitled to freeze the available balance equivalent to any IAH's indebtedness (whether actual, contingent, present or future) due to the Bank plus any accruing profit or other charges (indebtedness) and provide a written notice (which also includes via electronic means) of at least seven (7) days prior to the IAH to settle the indebtedness.
- 13.3 In the event the IAH fails to make good the indebtedness within the said seven (7) days period, the Bank will be entitled to set off such part of the Available Balance with the total sum of the indebtedness (even if it involves uplifting any IA before maturity).
- 13.4 For avoidance of doubt, the Bank's right of set-off here in this Terms and Conditions can be exercised by the Bank:
- even on a Joint Account, even though the indebtedness is due from only one of the joint IAHs to the Bank;
 - where the available balance in the account which is in credit with another account of the IAH which is in debit balance with sums due to the Bank; and
 - even in the event of IAH's demise, bankruptcy / insolvency, composition with its creditors or any legal proceedings against the IAH.
- 14.0 FREEZING / CLOSURE OF ACCOUNT**
- 14.1 The IAH can either close their account through MJourney or be present at any of the Bank's branches for the closure of account.
- 14.2 For non-individual account, the closure of account will be in accordance with the terms and/or conditions of the mandate given to the Bank by the IAH and may be performed at domicile branch only.
- 14.3 The Bank may freeze/ close the IAH's account upon the IAH's full withdrawal or request, by operation of the applicable laws of Malaysia or at the discretion of the Bank.
- 14.4 The Bank may freeze/ close the account upon occurrence of any of the following events: -
- Upon receiving written request by IAH; or
 - Upon search result with CTOS and internal negative list that confirm the IAH is bankrupt or under liquidation (voluntary or compulsory) or blacklisted; or
 - The IAH commits a breach of any of this Terms and Conditions; or
 - The Bank suspects the account is being used for or implicated in fraud or suspected fraud activities; or
 - The Bank is of the view that the information/documents provided to the Bank for opening the account is false and/or incorrect and/or tempered and/or a misrepresentation of identity; or
 - Upon receipt by the Bank of any complaints made by third parties with the authorities that the account has been used for any fraudulent transactions and/or deposits and/or scams and/or soliciting illegal deposits; or
 - An investigation is being conducted by the Authorities or by us against you or the Banking Account; or
 - Instruction of any relevant law enforcement agencies / regulators; or
 - Upon the death of the IAH or the Authorised Signatory; or
 - Non-Shariah compliant events.
- 14.5 In addition to the Bank's rights contained in Clause 16.4 above, the IAH agrees that the Bank may close any account by giving adequate notice to the IAH.
- 14.6 The Bank may also freeze or close the account at any time to comply with any laws, court orders, regulations and/or enactments or direction of a regulatory or enforcement authority.
- 14.7 The IAH will comply with all the Bank's requirements and procedures for account closure including paying any service charges imposed by the Bank for closing the account (if any).
- 15.0 IN THE EVENT OF DEATH**
- 15.1 Subject to any legislation applicable thereto, on the death of any one joint IAH, the Bank may hold any credit balance or balances now or hereafter standing to any account in the IAH's joint names and any securities held in the IAH's joint names to the order of the

survivor or survivors without prejudice to the Bank's right of consolidation and set-off 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 survivor(s).

- 15.2 In the event of demise of any one of joint IAHs, pursuant to the right of survivorship, the Bank is authorised to pay the balance standing to the credit of the account to the surviving IAH(s) and such payment shall constitute a valid discharge by the Bank of the amount due on the account.

16.0 CHANGES IN PARTICULARS

- 16.1 The IAH will promptly advise the Bank in writing any change in the IAH's mailing address, telephone, mobile phone numbers, facsimile number, e-mail address and/or other particulars recorded with the Bank.
- 16.2 No change in the address of the IAH howsoever brought about will be effective and/or binding on the Bank unless actual notice of the change of address has been received and acknowledged by the Bank.
- 16.3 All communications required to be given by one party to the other and vice versa under these General Terms and Conditions is to be delivered by hand or registered post. Any such communication will be deemed to have been duly given or made (provided that there is no returned/failed/undelivered/unclaimed mail or notification):
- in the case of delivery by registered post, after the expiration of three (3) business days from the date it is posted inclusive of the day in which it was posted;
 - in the case of delivery by hand, at the time of receipt by the other party.

17.0 FEES AND CHARGES

- 17.1 The details of the fees and charges imposed and/or charged by the Bank is available at the Bank's branches and website.
- 17.2 The Bank may at any time, upon written notice (which also includes via electronic means) to the IAH, revise the fees and charges payable by the IAH. Such change(s) will be in-line with any relevant applicable Shariah and regulatory requirements and will take effect from the date stated in the notice, which will be no less than twenty-one (21) days from the date of the notice.
- 17.3 If any services provided by the Bank to the IAH is subject to regulatory taxes and/ or levies, then regulatory taxes and/ or levies will be borne by the IAH and paid by the IAH in addition to the fees and charges imposed and/or charged by the Bank.

18.0 UNCLAIMED MONIES ACT 1965

Under the prevailing Unclaimed Money Act 1965 (an act relating to the payment of unclaimed monies into the Federal Consolidated Fund), unclaimed monies means all sums of money to the credit of an account that has not been operated in whatever manner by the owner for a period of not less than seven (7) years. The unclaimed moneys will then be duly transferred to the Registrar of Unclaimed Moneys (RUM). Before the TIA-i funds are transferred to the RUM, a written notice (which also includes via electronic means) of at least twenty-one (21) calendar days' will be given to the Accountholder on when the transfer will take place.

19.0 CHANGES TO THE TERMS AND CONDITIONS

- 19.1 By giving prior written notice (which also includes via electronic means), the Bank may modify and/ or change and/ or alter and/ or vary and/ or restructure the IA products and/ or add and/ or delete, and/ or alter any or all of these terms and conditions, including the nature of the account, at any time and subject to the extent permitted by relevant laws and regulations by authorities. Such changes shall become effective after twenty-one (21) days of such

notice(s) being displayed in the Bank's premises or any other mode of communication which the Bank may deem fit.

20.0 GOVERNING LAWS AND JURISDICTION

- 20.1 This agreement will be governed by and construed, interpreted and applied in accordance with the applicable laws of Malaysia.
- 20.2 The parties will comply with the provisions of any written laws in Malaysia with which they may be required to comply respectively including the Personal Data Protection Act 2010 (PDPA) and any other act, enactment or ordinance or any by-laws, rules, regulations or other subsidiary legislation under such act, enactment or ordinance or any direction, order, requirement or instruction given by any authority competent to do so under any written laws in Malaysia.

21.0 PERSONAL DATA PROTECTION ACT 2010 (PDPA)

- 21.1 The IAH declares and agrees that any data/information (including personal data) relating to or arising from or in connection with the IAH's application under this General Terms and Conditions and also information pertaining to the IAH's affairs whether under this General Terms and Conditions or otherwise on this application may be held, used and disclosed by the Bank for purposes of processing this application and providing subsequent services for this and other products and services and/ or direct marketing (if applicable) to communicate with the IAH for such purpose.

22.0 DECLARATION

- 22.1 The IAH declares that all statements made and documents submitted in connection with this application are complete and true to the best of the IAH's knowledge and understanding.

23.0 DISCLOSURE OF INFORMATION

- 23.1 The Bank is authorized to disclose, use, and obtain any information relating to the IAH, the account or matters related thereto pursuant to any applicable laws of Malaysia regulations, rules, guidelines or directives.
- 23.2 The Bank may at any time without liability to the IAH, disclose fair, accurate, relevant and timely information concerning the account to the IAH at a frequency and in any manner or method that is determined by the Bank from time to time.

24.0 MISCELLANEOUS

- 24.1 The IAH may make any query or complaint on the products or services provided by the Bank to the following address:

Customer Experience Management
Menara MBSB Bank, PJ Sentral,
Lot 12 Jalan Persiaran Barat, Seksyen 52,
46200 Petaling Jaya, Selangor D.E. Tel. No.: 03-2096 3000
Email: complaint@mbsbbank.com / enquiry@mbsbbank.com
Website: www.mbsbbank.com

[End]

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 THE INVESTMENT ACCOUNT HOLDER (“IAH”) RISKS EARNING NO RETURNS AT ALL. IF THE INVESTMENT IS REDEEMED EARLY, IAH MAY SUFFER LOSSES IN PART OR OF THE ENTIRE PRINCIPAL SUM INVESTED. THIS INVESTMENT ACCOUNT IS NOT PROTECTED BY PERBADANAN INSURANS DEPOSIT MALAYSIA (PIDM).