



Notification of Amendment to the **Terms of the Additional Deferment Programme for Individual Customers Excluding Credit Cards (“Additional Deferment”)**

Updated on 15 April 2021

This terms and conditions revision is pursuant to the latest ruling by the Shariah Advisory Council of Bank Negara Malaysia (SAC) on **Restructuring and Rescheduling of Islamic Financing Facility during COVID-19 Crisis** which prohibits compounding of profit on restructuring and rescheduling. Such prohibition aims to avoid amplification of profit on debts (compounded profit) that will worsen the financial position of customers who are already badly affected by the COVID-19 pandemic. The ruling calls for Islamic financial institutions to exercise the principle of beneficence (*ihsan*) in alleviating unprecedented social and financial hardship faced by the customers caused by the COVID-19 pandemic. The principle of *ihsan* is fundamental value in Islamic finance and in line with the objectives of Shariah (*maqasid Shariah*). In line with this, we are making changes on your payment schedule to help you reduce the total amount payable for your facility with us.

Under the original Terms of the Additional Deferment, the monthly instalment when you resume to pay will be first utilized to pay off the accrued profit/lease rental in full. This means principal reduction will not occur until all accrued profit/lease rental have been settled in full, resulting in a higher total amount payable for your facility.

Effective 15 April 2021, if you have had a deferment programme with the Bank, there will be a total of two (2) accounts for your facility with the Bank where applicable. Your existing account of your facility will be your First Account. A new Second Account will be created to segregate the accrued profit/lease rental which includes all profit/lease rental accrued during the initial Deferment Period and Additional Deferment Period, which requires separate instalment payments and will commence at a later date. We will provide you the details in due course.

By having separate First Account and Second Account for your facility with the Bank, when you resume your payments after the end of Additional Deferment Period, your monthly instalment paid to your First Account will be allocated towards principal reduction and monthly profit/lease rental as usual, whilst separate payment schedule will apply to your Second Account. These changes are better for you they help to reduce the total amount payable for your facility.

With the above, we are making changes to the Terms of the Additional Deferment Programme, as outlined below:

Area of Change	Original Terms	Revised Terms
<p>Changes to payment schedule for the monthly instalment, after the end of the Additional Deferment Period</p>	<p>6. Monthly instalment after the end of the Additional Deferment Period, will for the earlier months be utilized to pay off all the profit/lease rental accrued, this includes all profit/lease rental accrued during the initial Deferment Period and Additional Deferment Period where the profit/lease rental continues to accrue monthly.</p> <p>Only when the accrued profit/lease rental has been paid off, the monthly instalment will be allocated towards principal reduction and monthly profit/lease rental.</p>	<p>6. Your monthly instalment will resume in the month immediately after the end of the Additional Deferment Period and the monthly instalment will be allocated towards principal reduction and monthly profit/lease rental of your existing account ("First Account") as usual.</p> <p>Your accrued profit/lease rental, which includes all profit/lease rental accrued during the initial Deferment Period and Additional Deferment Period will be segregated to a new second account ("Second Account") which requires separate instalment payments and will commence at a later date. You will receive a notification letter from us on the details.</p> <p>By having a separate First Account and Second Account, this will help reduce total amount payable for your facility as your principal reduction in the First Account starts immediately after the end of the Additional Deferment Period when you resume paying your full monthly instalment.</p>
<p>Notification of Second Account details</p>	<p>Not specified</p>	<p>9. We will notify you of the revised monthly instalments (if applicable) for your First Account and details of your Second Account at a later date.</p>

For your information and records, the following are previous amendments to the Terms of the Additional Deferment Programme effective 7 December 2020:

Area of Change	Original	Revised
Cancellation of an existing temporary financial relief or targeted assistance programme	Not specified	3. If you are currently on any temporary financial relief or targeted assistance programme with us, the existing temporary financial relief or targeted assistance programme will be cancelled prior to the Additional Deferment taking effect. The treatment of accrued profit / lease rental (if any) and extension of facility tenure pursuant to these programmes up to the date of cancellation will follow Clauses 6 and 7 below.
Treatment of amount in arrears	Not specified	4. If you have any overdue amount in arrears, the principal / purchase price portion of the overdue amount will be capitalized and added to the principal balance of your facility at the commencement of the Additional Deferment. The profit / lease rental portion of the overdue amount will be accrued and Clause 6 applies. For the avoidance of doubt, there is no compounding of profit / lease rental involved during the process.
Clarification of the facility tenure extension as a result of the Additional Deferment	5. As a result of the initial Deferment and Additional Deferment, we will extend the tenure of your Facility by a total of 9 months (i.e. 6 months due to initial Deferment and 3 months due to Additional Deferment) and your final monthly instalment and overall payments will likely be higher at the end of your facility tenure.	7. Your facility tenure will be extended by the same duration of the deferment period. This is in addition to any tenure extension pursuant to a previous deferment, temporary financial relief and/or targeted assistance programme. 8. As a result of the Additional Deferment, please take note that your revised monthly instalments, final monthly instalment and overall payments will likely to be higher by the end of your facility tenure.

<p>Clause on termination - New addition on the consequence of termination due to false representation</p>	<p>7. The Additional Deferment may be cancelled immediately if at any time the Bank found or has reasonable grounds to believe that you have made false, misleading and/or incomplete representation leading to the successful application of the Additional Deferment.</p>	<p>10. We reserve the right to terminate the Additional Deferment immediately if at any time we found or have reasonable grounds to believe that you have made false, misleading and/or incomplete representation leading to the successful application of the Additional Deferment. The consequence of such termination may include reversing any or all benefits you enjoyed from the Additional Deferment. For example, the amount that would otherwise be due during the deferment period will become immediately due and payable in whole upon termination, and no tenure extension will apply.</p>
<p>Additional clause applicable only to Amanah Personal Financing-i (APF-i) accounts without an existing Ceiling Profit Rate (CPR).</p>	<p>Not specified</p>	<p>11. <u>Applicable to Amanah Personal Financing-i (APF-i) accounts without an existing Ceiling Profit Rate (CPR) only:</u></p> <p>A new Commodity Murabahah contract is required in order to operationalise the Additional Deferment. We will supplement your existing Facilities terms and condition with a revised rebate structure; where the Effective Profit Rate, being the existing contracted Profit Rate (“EPR”) will remain unchanged. By agreeing to this Additional Deferment, you accept the following amendment to the existing Facilities terms and conditions: -</p> <ul style="list-style-type: none"> a. The existing Commodity Murabahah contract will be replaced with a new one. b. We are irrevocably appointed as your agent to complete the necessary purchase and sale of Shariah-compliant commodities as per the

		<p>existing Facilities terms and conditions.</p> <p>c. The Shariah-compliant commodities will be sold to you at the Bank's Selling Price described below.</p> <p>Bank's Selling Price = Cost Price + Ceiling Profit</p> <p>Cost Price is the original Facility Amount Ceiling Profit equals to Cost Price x CPR of 20% p.a. x original tenor</p> <p>d. Your Monthly Payments will be based on the EPR. We shall grant you a rebate equivalent to the difference between the CPR and EPR. EPR shall not exceed CPR at all times.</p>
Potential changes to Terms and Conditions	Not specified	<p>12. We may change these terms and conditions including treatment of your monthly payment if necessary to do so due to reasons such as changes in law or regulations, increased costs of offering this programme, or changes to our business, technology, services and facilities we use. We do not know all the reasons why a change may be needed in the future, but if we do make the change(s) for any reasons, we will make sure that the change(s) are reasonable and promptly notified to you.</p>

Notification of Amendment to the **Terms of the Payment Reduction for Individual Excluding Credit Cards (“Payment Reduction”)**

Area of Change	Original	Revised
Cancellation of an existing temporary financial relief or targeted assistance programme	Not specified	2. If you are currently on any temporary financial relief or targeted assistance programme with us, the existing temporary financial relief or targeted assistance programme will be cancelled prior to the Payment Reduction taking effect. The treatment of accrued profit / lease rental (if any) and extension of facility tenure pursuant to these programmes up to the date of cancellation will follow Clauses 5 and 6 below respectively.
Treatment of amount in arrears	Not specified	3. If you have any overdue amount in arrears, the principal / purchase price portion of the overdue amount will be capitalized and added to the principal balance of your facility at the commencement of the Payment Reduction. The profit / lease rental portion of the overdue amount will be accrued and Clause 5 applies. For the avoidance of doubt, there is no compounding of profit / lease rental involved during the process.

<p>Clarification on how your monthly instalment will be applied</p>	<p>2. During the Payment Reduction Period, you will pay a lower monthly instalment for a period of 6 months, the amount of which will be made known to you after successful application.</p> <p>4. If the revised monthly instalment is insufficient to pay-off the accrued profit/lease rental due for the month, any unpaid accrued profit/lease rental will continue to be accrued. However, this accrued profit/lease rental will not be compounded.</p>	<p>4. The Payment Reduction is for a period of six (6) months, during which you will pay a lower revised monthly payment (consists of principal / purchase price and profit / lease rental) of an amount we notify you upon your successful application. The difference in respect of the profit / lease rental amount between the original monthly payment and the revised monthly payment will be accrued but will not be compounded. In addition, the accrued profit / lease rental will not be considered as overdue profit / lease rental.</p>
<p>Facility tenure extension as a result of the Payment Reduction</p>	<p>5. As a result of the Payment Reduction, we will extend the tenure of your Facility by 6 months and your overall payments will likely be higher at the end of your facility tenure. If you had an initial Deferment, this means your Facility will be extended by a total of 12 months (i.e. 6 months due to initial Deferment and 6 months due to Payment Reduction).</p>	<p>6. Your facility tenure will be extended by the same duration of the Payment Reduction period. This is in addition to any tenure extension pursuant to a previous deferment, temporary financial relief and/or targeted assistance programme.</p> <p>7. As a result of the Payment Reduction, please take note that your revised monthly instalments, final monthly instalment, and overall payments will likely to be higher by the end of your facility tenure.</p>
<p>Clause on termination - New addition on the consequence of termination due to false representation</p>	<p>6. The Payment Reduction may be cancelled immediately if at any time the Bank found or has reasonable grounds to believe that you have made false, misleading and/or incomplete representation leading to the successful application of the Payment Reduction.</p>	<p>8. We reserve the right to terminate the Payment Reduction immediately if at any time we found or has reasonable grounds to believe that you have made false, misleading and/or incomplete representation leading to the successful application of the Payment Reduction. The consequence of such termination may include reversing any or all benefits you enjoyed from the Payment Reduction. For example, the amount that would otherwise be due during the Payment Reduction period will become due and payable in whole upon termination, and no tenure extension will apply.</p>

<p>Additional clause applicable only to Amanah Personal Financing-i (APF-i) accounts without an existing Ceiling Profit Rate (CPR).</p>	<p>Not specified</p>	<p>9. <u>Applicable to Amanah Personal Financing-i (APF-i) accounts without an existing Ceiling Profit Rate (CPR) only:</u></p> <p>A new Commodity Murabahah contract is required in order to operationalise the Payment Reduction. We will supplement your existing Facilities terms and condition with a revised rebate structure; where the Effective Profit Rate, being the existing contracted Profit Rate (“EPR”) will remain unchanged. By agreeing to this Payment Reduction, you accept the following amendment to the existing Facilities terms and conditions: -</p> <ol style="list-style-type: none"> a. The existing Commodity Murabahah contract will be replaced with a new one. b. We are irrevocably appointed as your agent to complete the necessary purchase and sale of Shariah-compliant commodities as per the existing Facilities terms and conditions. c. The Shariah-compliant commodities will be sold to you at the Bank’s Selling Price described below. <p>Bank’s Selling Price = Cost Price + Ceiling Profit Price</p> <p>Cost Price is the original Facility Amount Ceiling Profit equals to Cost Price x CPR of 20% p.a. x original tenor</p>
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Changes to Terms and Conditions	Not specified	<p>10. We may change these terms and conditions including treatment of your monthly payment if necessary to do so due to reasons such as changes in law or regulations, increased costs of offering this programme, or changes to our business, technology, services and facilities we use. We do not know all the reasons why a change may be needed in the future, but if we do make the change(s) for any reasons, we will make sure that the change(s) are reasonable and promptly notified to you.</p>