



MIDF Amanah Investment Bank Berhad (197501002077)

PRODUCT DISCLOSURE SHEET

Name of Product: Commodity *Murabahah* Deposit-i (“CMD-i”)

Please read and understand this Product Disclosure Sheet (“PDS”) together with the general terms and conditions before you decide to place your funds under the CMD-i.

Please seek further clarification from MIDF Investment if you do not understand any part of this document or the general terms and conditions contained herein.

1) What is this product about?

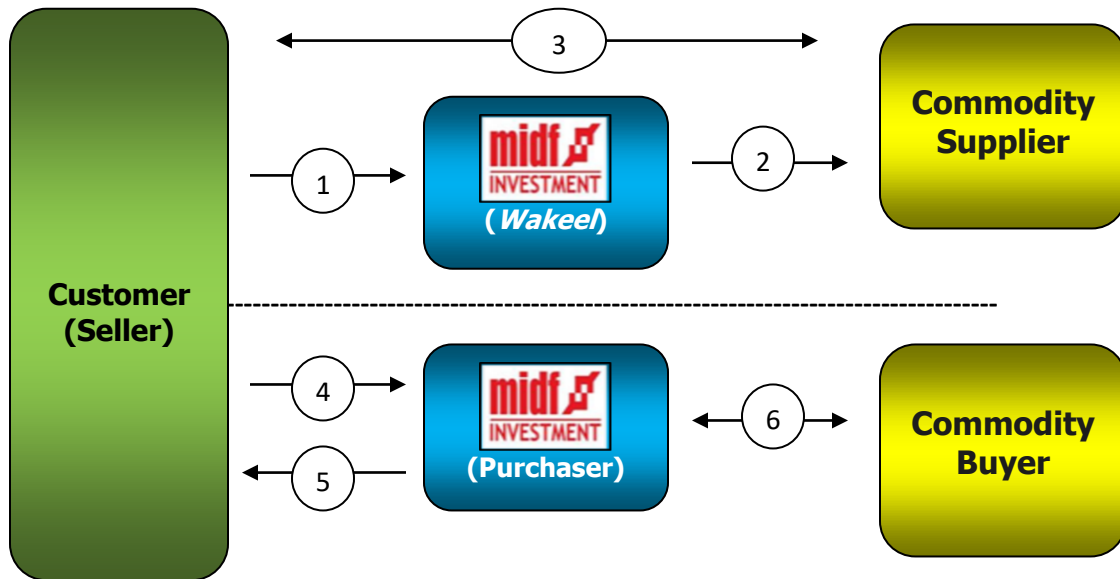
CMD-i is an Islamic deposit product which provides customers with a certainty of return, i.e. fixed profit. It is undertaken based on a pre-agreed profit margin or marked-up price, derived from the sale and purchase of Shariah-compliant commodities (“Commodities”). This product is principal guaranteed. However, it is not covered by Perbadanan Insurans Deposit Malaysia (“PIDM”).

2) What are the applicable Shariah principles?

The CMD-i transaction applies the combination of four (4) Shariah principles, namely: (i) **Tawarruq**; (ii) **Murabahah**; (iii) **Wakalah**; and (iv) **Wa’d**.

- **Tawarruq** consists of two (2) separate sale and purchase contracts. The first involves the sale of an asset, on a deferred basis, by a seller to a purchaser. Subsequently, this purchaser will sell the same asset to a third party on a spot and cash basis.
- **Murabahah** refers to a sale and purchase of an asset where the acquisition cost and the mark-up are disclosed to the purchaser.
- **Wakalah** refers to a contract in which a party, as the principal (*muwakkeel*), authorises another party as the agent (*wakeel*) to perform a particular task in matters that may be delegated, with or without imposition of a fee.
- **Wa’d** refers to a unilateral promise which refers to an expression of commitment given by one party to another to perform certain action(s) in the future.

Structure of CMD-i



1. Customer appoints MIDF Investment as an agent (*Wakeel*) and transfers fund to MIDF Investment via RENTAS for purchase of Commodities.
2. MIDF Investment (as *Wakeel*) purchases Commodities from Commodity Supplier on behalf of Customer through a recognised commodity exchange or platform at **Purchase Price** on **spot basis**.
3. MIDF Investment (as *Wakeel*) pays Commodity Supplier the **Purchase Price** on behalf of Customer. Customer becomes the owner of the Commodities.
4. MIDF Investment (as **Purchaser**) purchases the Commodities from Customer at **Murabahah Sale Price**, which is the **Purchase Price** plus **Profit**, on **deferred payment basis**. Ownership of Commodities is transferred to MIDF Investment.
5. MIDF Investment pays Customer the **Murabahah Sale Price** on **deferred payment basis** at maturity date of the CMD-i.
6. MIDF Investment sells the Commodities to Commodity Buyer through the recognised commodity exchange or platform at **Purchase Price** on **spot basis**. Ownership is then transferred to Commodity Buyer.

3) Who can apply for the CMD-i?

Eligible Customers include :

- Corporations
- Small and Medium Enterprises (“SMEs”)
- Government and Statutory bodies
- Non-bank financial institutions
- Others - Please call our Islamic Treasury Dealing Team at **03-2713 8001** to find out.

4) What do I get from this product?

- Customers will earn profits upon maturity of the CMD-i. The profit rate, and hence the profit amount will be known upfront upon placement of the deposit.
- The minimum deposit is RM 500,000.
- There is no requirement to maintain a minimum account balance, and the balance can be zero. However, if there is a positive balance, the minimum positive balance must be \geq RM 500,000.
- Flexible tenure of placement, ranging from a minimum of 1 day (overnight) to a maximum of 60 months.
- Please call our **Islamic Treasury Dealing Team at 03-2173 8001** and enquire on our attractive profit rate for any tenor.

5) What if I request for early withdrawal before its maturity?

Customers are not encouraged to make any early or pre-mature withdrawal (partial or full) under this product as the customers are deemed to be in violation of the original contract and hence obliged to give an *ibra'* (rebate) to MIDF Investment. Effectively, if a customer withdraws the CMD-i before its maturity date, MIDF Investment will pay a discounted amount on the profit agreed. However, this arrangement is only valid for CMD-i placement made before 1st April 2023. Any pre-mature withdrawal incurred for CMD-i placements that are made after 1st April 2023, a customer will be deemed to have agreed to a full *ibra'* whereby no profit will be payable on the pre-mature CMD-i.

Please refer to our [Terms and Conditions for CMD-i](#) for further details.

6) What is the mode of payment for this transaction?

All payments for placement of funds under the CMD-i must be effected via RENTAS.

7) What are the risks involved?

The CMD-i is structured in a manner that customers will not be subject to the volatility of the commodity prices or be exposed to the fluctuation in the commodity prices.

There is no risk involved in this product and customers will get the profits due to them on maturity, unless a pre-mature withdrawal is made. In this case, the condition of *ibra'* (rebate) shall apply.

8) What are the fees and charges that I have to pay?

All costs in relation to the transaction of the Commodities are borne by MIDF Investment.

9) What are the documents required?

As to meet the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (AMLATFPUUA) requirements, an account opening form and the Terms and Conditions for CMD-i must be completed. Relevant documents as stated in the account opening form must also be furnished.

Please call our **Islamic Treasury Operations at 03-2173 8301 or 03-2173 8276** for further details.

10) What do I need to do if there are changes to my contact details?

It is important that you inform us of any changes in your contact details to ensure that all correspondence reach you in a timely manner.

11) Where can I get assistance and redress?

If you wish to seek any assistance, give feedback or complain about the products and services provided by us, you may contact us at:

MIDF Amanah Investment Bank Berhad
Level 21, Menara MIDF
82 Jalan Raja Chulan
50200 Kuala Lumpur.

Tel: 03-2173 8001
Fax: 03-2173 8330
E-mail: inquiry-feedback@midf.com.my

If our reply to your query or complaint is not satisfactory to you, you may contact Bank Negara Malaysia LINK or TELELINK at:

Block D, Bank Negara Malaysia
Jalan Dato' Onn
50480 Kuala Lumpur.

Tel: 1-300-88-5465
Fax: 03-2174 1515
E-mail: bnmtelelink@bnm.gov.my