

21 July 2014

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Dear valued customer,

We would like to thank you for your continuous support. We wish to inform you that the recently enacted Islamic Financial Services Act 2013 (“IFSA”) highlighted the distinction between Islamic deposit and investment product definition. Under the new definition, all term deposit products which apply the Shariah contract of *Mudharabah* and *Wakalah bil Istithmar* will be classified as investment products.

In line with the above, we have introduced five new term deposit products based on *Commodity Murabahah* concept; where commodity is used as the underlying asset for the purchase and sale transactions between customer, bank and commodity trader(s) via approved commodity trading platform(s). Under the arrangement, you appoint AmIslamic Bank as your agent for the purchase and sale of the commodity. The trading of commodity enables you to enjoy fixed profit rate and at the same time, your deposit is guaranteed by PIDM.

In complying with IFSA, all existing term deposit products based on Shariah principle of *Mudharabah* and *Wakalah bil Istithmar* (“Existing Deposit”) will be converted to the new term deposit products based on Shariah principle of *Commodity Murabahah*.

The product conversion mappings are as follows:

Table 1

Existing		New
General Investment Account-i	➔	Term Deposit-i (Low initial placement of RM1,000 for 1 month tenure with partial withdrawal features)
AmAdvance Investment Account-i		
Afdhal Investment Account-i	➔	Afdhal Term Deposit-i (Short and flexible tenures in number of days with partial withdrawal features)
Am50Plus Investment Account-i	➔	Am50Plus Term Deposit-i (Specially designed for senior citizens with monthly profits crediting into savings or current account)
AmQuantum Investment Account-i	➔	AmQuantum Term Deposit-i (Long term deposit with quarterly profit crediting into savings or current account)
ValuePlus Investment Account-i	➔	ValuePlus Term Deposit-i (Provides a higher rate on Term Deposit-i and bundled with unit trust investment)

The conversion is scheduled to be carried out progressively from 15 August 2014 onwards, upon the renewal of your Existing Deposit.

This notification is to obtain your consent for the conversion of the Existing Deposit. If we do not hear from you before 15 August 2014, your Existing Deposit will be converted upon its renewal. By continuing to keep your deposit with us after the conversion, such continuation shall constitute your consent and agreeable to the Specific Terms and Conditions for Commodity Murabahah-based Term Deposit and it shall automatically be binding on you.

This hassle free conversion exercise will be carried out at no cost to you and you will continue to enjoy the benefits with some additional features in selected products as highlighted in Table 1. Any existing lien, rights, charge, security interest and/or restrictions applicable to the Existing Deposit shall continue under your new term deposit(s) based on *Commodity Murabahah*.

For your easy reference, please visit our website at amislamicbank.com.my to view the Frequently Asked Questions and Specific Terms and Conditions for Commodity Murabahah-based Term Deposit. Latest information about the conversion exercise will also be made available from time to time on our website.

If you have further enquiries about this exercise, please feel free to visit your nearest branch or call our Contact Centre at 03-2178 8888.

Thank you for banking with us, Your Bank. Malaysia's Bank. Amlslamic Bank.

Yours sincerely,

Amlslamic Bank Berhad

THIS IS A COMPUTER GENERATED LETTER. NO SIGNATURE IS REQUIRED.