

**HomeLink Current Account-i and PropertyLink Current Account-i
Frequently Asked Questions**

Q1: What is IFSA 2013?

Islamic Financial Services Act (IFSA) 2013 is an Act that regulates and supervises Islamic financial institutions in order to promote financial stability, ensure compliance with Shariah and also for any related, consequential or incidental matters.

The Act introduces two major classifications of products for the acceptance of money from customers by Islamic banks into either Islamic deposits or investment accounts.

Under the new definition, all deposit products which apply the Shariah contract of *Mudarabah* (profit sharing) and *Wakalah bi al-istithmar* (agency for investment) will be classified as investment products instead of deposits. Hence, the benefits and privileges of deposits products will no longer be applicable e.g. Malaysia Deposit Insurance Corporation (PIDM) coverage.

Q2: With the new definition for deposit, what will happen to my account?

Upon your acceptance, any existing HomeLink/ PropertyLink-i Current Account-i products based on Shariah contract of *Mudarabah* will be reclassified to the investment account products based on Shariah contract of *Wakalah bi al-istithmar*. *Wakalah bi al-istithmar* refers to an arrangement whereby the customer appoints the bank as an agent for the purpose of investment. Under *Wakalah bi al-istithmar*, the profit earned will no longer be based on the agreed Profit Sharing Ratio (“PSR”). Instead, an indicative Expected Return Rate (“ERR”) will be made available and the Actual Return Rate (“ARR”) shall be automatically credited into your new account(s) on a monthly basis.

Q3: When is the reclassification date?

Upon your acceptance, the reclassification exercise is scheduled to be carried out on 24 June 2015, to reclassify your existing HomeLink/ PropertyLink-i Current Account-i products based on Shariah principle of *Mudarabah* to HomeLink/ PropertyLink-i Investment Account-i products based on Shariah contract of *Wakalah bi al-istithmar*.

Q4: How is the mapping of my existing accounts upon reclassification?

Existing		New
HomeLink Current Account-i <i>Mudarabah</i> (profit sharing) Classification: Deposit	⇒	HomeLink Investment Account-i <i>Wakalah bi al-istithmar</i> (agency for investment) Classification: Investment
PropertyLink Current Account-i <i>Mudarabah</i> (profit sharing) Classification: Deposit	⇒	PropertyLink Investment Account-i <i>Wakalah bi al-istithmar</i> (agency for investment) Classification: Investment

Q5: Is there any changes in my account number(s)?

Your account number(s) remain unchanged but the product name and Shariah contract will be changed as per Q4. Furthermore, all existing operations of your account(s) shall remain in effect and unchanged after the reclassification.

Q6: Can I continue using my existing ATM card and cheque book?

Yes. You can continue using your existing ATM Card and cheque book as per the current practice.

Q7: What are the benefits of HomeLink/ PropertyLink Investment Account-i?

The benefits of the accounts are as followed:

- The more funds in your HomeLink/ PropertyLink Investment Account-i, the greater your savings on financing profit through the linkage feature.
- Integrated account with monthly-consolidated statement for easy monitoring.
- Instant cash withdrawal via ATM or cheque book.
- Funds in HomeLink/ PropertyLink Investment Account-i can potentially shorten the financing tenure.
- Low risk investments with no maturity and restrictions on withdrawals or additional investment.

Q8: In reference to Q3, what do I need to do to reclassify my account to Investment Account?

You need to respond to us with your decision by signing the Response Form and Suitability Assessment Form attached to the individual letter sent to your mailing address by 17 June 2015 through the following channels:

- mail it using the postage paid envelope (within Malaysia only) enclosed in your individual letter
- go to the nearest AmBank Islamic/ AmBank branch.

Q9: Since this is an Investment Account, will my money be secured and guaranteed?

As defined in the IFSA 2013, for any investment products, there is no guarantee on the principal amount invested. However, the investment aims to provide capital preservation and financial security to you with low risk.

Q10: Upon reclassification, will my account be covered by Malaysia Deposit Insurance Corporation (PIDM)?

Since this account is classified as an Investment Account, it will not be covered by PIDM.

Q11: What will happen to my existing HomeLink/ PropertyLink Current Account-i if I do not wish for it to be reclassified?

If you do not wish to reclassify your Existing HomeLink / PropertyLink Current Account-i, your HomeLink/ PropertyLink Current Account-i based on *Mudarabah* contract will be closed and the remaining balance will be transferred into a Basic Current Account-i (fee based account). Effectively, your HomeLink/ PropertyLink Current Account-i will be delinked from your financing account and you will no longer enjoy greater savings in your HomeLink/ PropertyLink Financing Account-i. However, any existing payment arrangement i.e. standing instruction, auto debit etc will not be disrupted and shall remain effective and useable.

For any clarification or enquiries, please contact our dedicated IFSA Helpdesk at 03-2167 3836 / 03-2167 3790 from 9.00am to 5.30pm, Monday to Thursday and 9.00am to 4.30pm on Friday. Alternatively, you may visit your nearest branch or call our Contact Centre at 03-2178 8888.

Q12: Are there any fees and charges incurred after the reclassification?

Yes, the existing fees and charges will remain unchanged with additional 6% GST.