

**FREQUENTLY ASKED QUESTIONS (FAQs)
OF
TERM INVESTMENT ACCOUNT-i (TIA-i)
TIA-i PROMOTION**

1. What is TIA-i?

TIA-i refers to a type of Investment Account which is structured based on a profit sharing (*Mudarabah*) contract. *Mudarabah* is a contract between the Investor(s), the Capital Provider (*Rabbul Mal*) and Hong Leong Islamic Bank Berhad (HLISB) the fund manager / entrepreneur (*Mudharib*).

2. What is the advantage of investing in TIA-i?

TIA-i aims for stable and consistent returns over an agreed investment interval through low to medium risk investment activities that are targeted to provide better returns compared to the standard fixed deposit account.

3. What is the tenure(s) offered by TIA-i promotion?

The tenure(s) offered is only for 3 months and 6 months.

4. Is TIA-i a Shariah compliant product?

Yes, TIA-i is a Shariah compliant product. TIA-i offered by HLISB is subject to the Islamic Financial Services Act 2013 (IFSA), which requires Islamic financial institutions to ensure products offered are Shariah-compliant and under the supervision of HLISB Shariah Committee (HLISB SC) and Bank Negara Malaysia (BNM). Our TIA-i has been approved by HLISB SC and BNM.

5. How safe is TIA-i?

The fund will be invested in the low and/or medium risk investment instruments.

6. Where will the fund be invested?

The fund will be invested in Shariah-compliant financing assets of selected qualities within risk parameters as prescribed under the Return Objective stated in the Product Disclosure Sheet (PDS).

7. What is the maximum investment amount in TIA-i promotion?

RM5,000,000 (Ringgit Malaysia Five Million) per Investor.

8. What is the minimum investment amount in TIA-i promotion?

RM2,000 (Ringgit Malaysia Two Thousand).

9. Can I invest below the minimum amount?

No.

10. Is there any auto renewal feature for TIA-i promotion?

There are two options of which Investor can choose for TIA-i promotion;

- **With Auto Renewal:**
 - Principal only (P) - Profit will be credited into Investment Account Holder (Investor)'s CASA-i (HLISB) or Hong Leong Bank Berhad ("HLBB") CASA; or
 - Principal with profit.
- **Without Auto Renewal** – investment will mature on the specified maturity date. Principal and profit will be credited into Investor's CASA-i (HLISB)/ CASA (HLBB).

However, once Investor's fund has reached its maturity, the rate for subsequent renewal will be subject to the prevailing HLISB indicative board rate as set out in Product Disclosure Sheet ("PDS") applicable at time of renewal.

11. Can TIA-i promotion be used as collateral for financing facility?

No.

12. Who will manage the investment fund in TIA-i promotion?

Hong Leong Islamic Bank Berhad.

13. Who is the targeted market for TIA-i promotion?

Retail customers such as individuals and sole proprietors.

14. Who is eligible to subscribe TIA-i promotion?

Individual(s) above 18 years old and sole proprietorship(s).

15. Can I give instructions to HLISB regarding the investment management?

No. TIA-i is classified under Unrestricted Investment Account (UA). Therefore, Investor(s) cannot give instructions or mandates to HLISB in relation to the conduct of investment.

16. How do I invest in TIA-i promotion?

Firstly, you must have a CASA-i (HLISB) / CASA (HLBB) and access to Hong Leong Connect via <https://hongleongconnect.my>. The investment can only be made via Hong Leong Connect.

17. Is TIA-i promotion fully digital?

Yes. All businesses related to TIA-i including subscription and redemption of TIA-i can only be made via Hong Leong Connect.

18. Is there any cost to register Hong Leong Connect?

No. However, you are required to open a Current Account or a Savings Account with Hong Leong Bank Berhad/Hong Leong Islamic Bank Berhad first (if you do not have any with us) before you can invest with us.

19. How does TIA-i works?

TIA-i is based on the Shariah contract of *Mudarabah* (profit-sharing) where the profit will be shared between the Investor and HLISB based on the agreed Profit Sharing Ratio (PSR). HLISB endeavours to invest the fund in the selected and high quality Shariah-compliant financing assets. In an unlikely event of losses, it will be borne by the Investor except for the loss which is caused by misconduct, and negligence by HLISB.

20. Are there any fees and charges for TIA-i?

No.

21. Is premature redemption allowed?

Yes. Premature redemption is allowed but there will be no profit paid to the Investor(s) if there is any. However, we strongly discourage premature redemption due to the fact that this is an investment instrument that aims to generate stable income within specified period of time.

22. How do Investor(s) receive the profit?

Profit payment will be credited into Investor(s)'s CASA-i (HLISB) or any CASA (HLBB).

23. When do Investor(s) get the profit?

Profit generated will be credited upon maturity depends on the tenure subscribed.

24. Is partial redemption allowed?

No.

25. Is joint account allowed under TIA-i promotion?

No.

26. Is it possible that profit is not generated under TIA-i promotion?

Yes, it is possible due to various factors including but not limited to market wide failures or financial / economic crisis, or force majeure events (such as war, natural disaster, etc).

27. What happens if the investment incurs losses?

Based on Mudarabah principle, any losses shall be borne by the Investor(s) unless the loss is due to any act of misconduct, negligence or breach of specific term by HLISB.

28. How do I close TIA-i promotion?

Closing of TIA-i can be done via Hong Leong Connect.

29. Do I get an account statement for TIA-i promotion?

Yes. Online account statement will be made available in Hong Leong Connect on the first week of every month.

30. Why do I have to take Investor Suitability Assessment (“SA”)?

Under TIA-i promotion, Investors with different risk appetite can choose to invest his surplus cash to gain potential return from his investment. Therefore, the SA is used to measure the Investor’s risk profile/ appetite.

Consequently, HLISB has a fiduciary duty to caution the Investor if the investment does not match Investor(s) risk profile. This is to ensure that the Investor(s) is well-informed of the risks involved in pursuing a specific investment decision. Hence, this assessment serves as a check and balance for HLISB in protecting Investor(s) from investing beyond their risk profile.

31. How will SA assist an Investor(s) in making his/her investment decisions?

The SA will assess Investor(s) based on three key areas namely:

- Financial capabilities;
- Investment needs and appetite; and
- Investment knowledge and experience.

While this assessment is designed to provide the most accurate view possible on the risk profile of Investor(s), the accuracy of this assessment is to a certain extent, influenced by Investor’s genuineness in responding to the questions put forth.

32. Is TIA-i covered by Perbadanan Insurans Deposit Malaysia (PIDM)?

No.