

PRODUCT DISCLOSURE SHEET

Kindly read this Product Disclosure Sheet before you decide to invest in the STEPS Deposit. Be sure to also read the Terms and Conditions Governing STEPS Deposit

**Kenanga Investment Bank Berhad
STEPS Deposit (Tranche 1)
(Effective : 23/1/2020)**

1. What is this product about?

The STEPS Deposit is a money market deposit product to be placed for a fixed tenure of twelve (12) months renewable on quarterly basis with varying step-up rates every quarter. Eligible Participant is entitled to enjoy higher interest rates for every subsequent quarter until maturity. The step-up rates are for one cycle only. The step-up rates shall become void upon full upliftment of STEPS Deposit at any point of time during the twelve (12) months period and interest shall only be paid for completed step-up tenures.

STEPS Deposit is NOT insured by Perbadanan Insurans Deposit Malaysia.

2. What do I get from this product?

The step-up rates offered for Tranche 1 under this campaign are as follows:

Tenure	Campaign interest rate (% p.a.)	Effective interest rate (% p.a.)
1 st quarter	3.30	3.30 (for 3 months)
2 nd quarter	3.40	3.35 (for 6 months)
3 rd quarter	3.50	3.40 (for 9 months)
4 th quarter	3.60	3.45 (for 12 months)

Interest is calculated on a daily rest basis, i.e. based on the actual number of days. The step-up rates are fixed upon participation, at the onset of placement.

3. What are the key terms and conditions?

Deposits placed under this campaign are subject to a minimum amount and maximum threshold as follows:

Eligible Product	Minimum Amount	Maximum
Retail Negotiable Instruments of Deposit	RM10,000	RM8 Million
Short Term Negotiable Instruments of Deposit	Above RM60,000	RM8 Million
Fixed Deposit	RM500,000	RM8 Million

All new placements must be made during the validity of the campaign.

Upon maturity at each quarter, the following conditions which shall apply :-

- Eligible Participant is allowed to perform full withdrawal of principal and interest, and the deposit thereafter is fully matured and paid for.

WARNING

THIS PRODUCT IS PRINCIPAL GUARANTEED BY THE ISSUING BANK UPON MATURITY ONLY. IF THE PRODUCT IS REDEEMED OR SOLD PRIOR TO MATURITY, THE CUSTOMER MAY LOSE PART OF THE INITIAL. THE CUSTOMER IS REMINDED THAT THIS PRODUCT IS NOT INSURED BY PERBADANAN INSURANS DEPOSIT MALAYSIA.

- In the absence of any instructions by the Eligible Participant, the STEPS Deposit (principal and interest) shall be automatically renewed to the subsequent quarter, commencing from the maturity date and at the contracted step-up rate, of which the deposit will mature at the next maturity date.
- Eligible Participant is allowed to perform partial withdrawal of principal and/or interest withdrawal at the point of renewal. The principal balance shall continue to earn interest based on the next contracted rate till the next maturity date.
- STEPS Deposit which is uplifted / withdrawn, in part or in full, prematurely within the quarterly tenure period, will earn zero interest.
- Should there be an Overnight Policy Rate (OPR) changes, the step-up rates may be revised. STEPS Deposit placements made prior to the changes will not be affected by the revision.

4. What are the fees and charges I have to pay?

No processing fee will be imposed upon opening of account. However, the Bank reserves the right at any time and from time to time to levy any fees and charges in relation to the product transaction by giving twenty one (21) calendar days' notice by displaying the new fees and charges on the Bank's website.

5. What are the major risks?

The following is a summary of risk factors (which are not exhaustive) to be considered before investing in this product:

- Market risk – the risk of potential loss resulting from factors that affect the overall performance of the financial markets, including adverse movement in the level of market prices, level of exchange rate movement, and changes in the interest rates, to name a few.
- Credit risk - the contract with you represents a general unsecured contractual obligation which will rank equal with other existing and future general contractual obligations. If you wish to invest in this product, you should be taking note of the Bank's credit risk and you must therefore make your own assessment of the Bank's credit risk and the Bank's ability to perform its obligations in respect of this product.

6. 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 correspondences reach you in a timely manner.

7. Where can I get further information?

Should you require additional information about the product, please refer to the treasury product webpage, available at our website www.kenanga.com.my.

If you have any enquiries, please contact us at:

Kenanga Investment Bank Berhad

Level 16, Kenanga Tower

237, Jalan Tun Razak

50400 Kuala Lumpur

Tel: 03-2167 6886

Fax: 03-2172 2754

Email: balance.sheet@kenanga.com.my

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8. Lodge a complaint

i) For internal dispute resolution, you may contact:

**Treasury, Balance Sheet Management
Kenanga Investment Bank Berhad**

Level 16, Kenanga Tower
No. 237, Jalan Tun Razak
50400 Kuala Lumpur

Tel : 03-2167 6886

Fax : 03-2172 2754

Email: balance.sheet@kenanga.com.my

ii) If you are dissatisfied with the outcome of the internal dispute resolution process, you may refer your dispute to Bank Negara Malaysia LINK or TELELINK at :

- **Laman Informasi Nasihat dan Khidmat (BNMLINK)**

(a) via phone : 03-2698 8044 (ext: 8950 / 8958)

(b) via website : <http://www.bnm.gov.my/bnmlink/index.htm>

- **BNM TELELINK**

(a) via phone : 1300-88-LINK (1300-88-5465)

(b) via fax : 03-2174 1515

(c) via email : bnmtelelink@bnm.gov.my

(d) via letter: Laman Informasi Nasihat dan Khidmat (LINK)
Bank Negara Malaysia
P.O. Box 10922
50929 Kuala Lumpur

The information provided in this disclosure sheet is valid as at 23/1/2020.

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