



**TERMS AND CONDITIONS FOR THE ZAKAT PAYMENT SERVICE ON SAVINGS AND INVESTMENTS
EFFECTIVE FROM 1 MARCH 2025**

CUSTOMERS ARE ADVISED TO READ AND UNDERSTAND THE TERMS AND CONDITIONS BEFORE AGREEING TO SUBSCRIBE TO ANY PRODUCTS OR SERVICES AND/OR PARTICIPATE IN ANY BANK CAMPAIGNS AND PROMOTIONS.

1.0	DEFINITION
1.1	<p>In the terms and conditions, unless otherwise provided, the following words shall have the meanings as stated below:</p> <p>“Eligible Accounts” refers to an account that meets the criteria outlined in these Terms and Conditions, where the balance within the account is considered in the calculation of the zakat amount.</p> <p>“Bank Islam” means Bank Islam Malaysia Berhad, Registration No. 198301002944 (98127-X), a company incorporated in Malaysia with its registered office at Level 32, Menara Bank Islam, 22 Jalan Perak, 50450 Kuala Lumpur.</p> <p>“Customer” refers to the account holder of an Eligible Account as defined in these Terms and Conditions.</p> <p>“Nisab” refers to the value equivalent to 85 grams of gold, which is maintained within the Bank Islam system for the purpose of calculating zakat. The value of gold used for zakat calculation is determined based on announcements or communications from the Department of Waqf, Zakat, and Hajj (JAWHAR).</p> <p>“Haul” refers to the one-year period over which Zakat is calculated.</p> <p>“Assessment Year” refers to the year in which zakat is calculated, based on the annual calendar.</p> <p>“Service” means the Zakat Payment Service on Savings and Investments.</p> <p>“Zakat Rate” means 2.5% of the total amount in Eligible Accounts eligible for zakat.</p>
2.0	SHARIAH PRINCIPLES
2.1	<p>“Wakalah” means a contract that states one party (muwakkil) authorizes another party as agent to perform a specific task, in matters that can be delegated, either voluntarily or for a specified fee.</p> <p>Under this service, the Customer, as the principal, grants authority to the Bank as the agent to calculate and pay the zakat on the total amount of customer's deposit and/or investments account at Bank Islam to the Agensi Mengurus Zakat (AMZ).</p>
3.0	APPLICATION
3.1	Customers are required to fill out the application form using the prescribed form and bring along any relevant documents as requested by the Bank, if applicable.
3.2	Customers must maintain at least one of the following accounts with the Bank for the purpose of zakat payment: Basic Savings Account, Qard Savings Account-i, Basic Current Account-i, Qard Current Account-i, Al-Awfar Investment Account, or iGain Investment Account. The zakat payment will be automatically deducted from the customer's designated account, as selected by the customer for this purpose.
3.3	Customers have the option to direct their zakat payments to their preferred participating AMZ state. Please note that the participation of AMZ may vary from time to time. A full list of participating AMZs is available on the Bank Islam website at www.bankislam.com .
4.0	CALCULATION & PAYMENT OF ZAKAT



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4.1

Eligible accounts for the purpose of this service are as follows:

- Qard Savings Account-i
- Qard Current Account-i
- Al-Awfar Investment Account
- Wafiyah Investment Account

- Basic Savings Account-i
- Basic Current Account-i
- Term Deposit-i (Tawarruq)
- iGain Investment Account

Note: The list of eligible accounts may be added in the future. (a complete list of accounts be found on Bank Islam's website at www.bankislam.com)

Joint accounts, trust accounts and non-individual accounts will not be included in the Zakat calculation. Customers are responsible for fulfilling the Zakat obligations for such saving or investment themselves.

4.2

There are two methods of Zakat calculation under this service, depending on the method applied by respective AMZ. Customers are strongly advised to read and understand the calculation method before subscribing to this service.

4.3

The methods of zakat calculation are as follows:

1. Total Ending balance as at 31 October

2. Total lowest balance during Haul

For the purpose of these methods of zakat calculation, the following scenerio will apply for illustration:

Zakat Assessment Year	Nisab Amount 2025
2025	RM24,000

1. Total Ending balance as at 31 October

Zakat calculation will be based on the customer's total end-of-day balance in Eligible Accounts as of 31 October each year. If the end-of-day balance on 31 October meets or exceeds the Nisab threshold, the amount will be multiplied by the applicable Zakat rate to determine the zakat amount.

Eligible accounts of the customer that were opened prior to the Assessment Year will be considered for zakat calculation. In contrast, eligible accounts open during the current Assessment Year will only be included if there are other eligible accounts opened prior to the Assessment Year. If no eligible accounts were opened in the previous Assessment Year, new accounts will only be eligible for zakat calculation in the next zakat assessment year. The table below provides a clear illustration of this:

Scenario	Account opened before the assessment year	Account opened during the assessment year	Eligibility for assessment
1	Yes	No	All accounts must be assessed
2	Yes	Yes	All accounts must be assessed
3	No	Yes	No accounts need to be assessed

Scenario 1: Encik Ziqri opened a Savings-i Qard Account, Al-Awfar Investment Account before the assessment year and opened a Term Deposit-i (Tawarruq) in the assessment year 2024. Therefore, all of Encik Ziqri's accounts will be cosidered for the Zakat Savings assessment as shown below:



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Before the year of assessment	Year of zakat assessment 2024
Savings-i Qard Account	-
Al-Awfar Investment Account	-
-	Term Deposit-i (Tawarruq)

Type of Account	Date and Year Account was Opened	Current Balance as of 31 October 2024 (RM)
Savings-i Qard Account	1 February 2014	10,000
Al-Awfar Investment Account	15 May 2016	50,000
Term Deposit-i (Tawarruq)	30 September 2024	5,000
Total Amount of Ziqri's Account	-	65,000
The Amount of Zakat	-	65,000 x 2.5% = RM 1,625

Note: The calculation is applicable for AMZ Kedah, Selangor & Wilayah Persekutuan Kuala Lumpur. Please refer to the website for any changes or further information.

2. Total lowest Balance during Haul

The zakat calculation will be based on the customer's lowest total end-of-day balance in eligible accounts during the haul period. If the lowest balance during the haul meets or exceeds the Nisab threshold, the amount will be multiplied by the applicable Zakat rate to determine the zakat amount.

For zakat assessment using the lowest balance method, there are two variables related to the haul period:

2.1 Fixed Haul

The haul period will be fixed for one year, starting when the eligible account balance reaches or exceeds the Nisab amount. Once the haul is completed and the zakat is paid (if applicable), a new haul period will begin immediately, provided the total balance in the eligible account remains the same or above Nisab. If the balance falls below Nisab, a new haul period will start when the eligible account balance reaches or exceeds the Nisab amount again.

Scenario 1: Encik Luqman has a Savings-i Qard Account and Al-Awfar Investment Account which was opened before the year of assessment and opened a Term Deposit-i (Tawarruq) in the year of assessment 2024.

Before the year of assessment	Year of zakat assessment 2024
Savings-i Qard Account	-
Al-Awfar Investment Account	-
-	Term Deposit-i (Tawarruq)

Dates	*Daily Ending Balance (RM) during the Haul period			Total Amount (RM)
	Savings-i Qard Account	Al-Awfar Investment Account	Term Deposit-i (Tawarruq)	
1 January 2024	30,000	3,000	2,000	35,000
22 April 2024	10,000	15,000	1,000	26,000
31 December 2024	1,000	1,500	25,000	27,500
The Amount of Zakat	RM26,000 x 2.5% = RM 650			



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Note: RM26,000 is the lowest balance during the haul period.

Scenario 2: Encik Shahrul has a Savings-i Qard Account and Al-Awfar Investment Account which was opened before the year of assessment and opened a Term Deposit-i (Tawarruq) in the year of assessment 2024.

Before the year of assessment	Year of zakat assessment 2024
Savings-i Qard Account	-
Al-Awfar Investment Account	-
-	Term Deposit-i (Tawarruq)

Dates	*Daily Ending Balance (RM) during the Haul period			Total Amount (RM)
	Savings-i Qard Account	Al-Awfar Investment Account	Term Deposit-i (Tawarruq)	
1 January 2024	30,000	3,000	2,000	35,000
22 April 2024	10,000	1,500	2,500	14,000
31 December 2024	1,000	3,500	1,000	5,500
The Amount of Zakat	No zakat is imposed because the lowest balance during the haul period was RM5,500.			

2.2 Flexible Haul

The haul begins when the eligible account balance meets or exceeds the Nisab amount. If the end-of-day balance during the haul falls below the Nisab, the haul will be cancelled. A new haul period will begin once the balance meets or exceeds the Nisab again. The zakat amount will be based on the lowest balance during the one-year period, multiplied by the Zakat rate. Upon completion of the haul, a new haul period will begin immediately, provided the total balance remains the same or above Nisab. If the balance falls below Nisab, the haul period will restart when the eligible account balance reaches or exceeds Nisab again.

Scenario 1: Puan Amira has a Savings-i Qard Account and Al-Awfar Investment Account which was opened before the year of assessment and opened a Term Deposit-i (Tawarruq) in the year of assessment 2024.

Before the year of assessment	Year of zakat assessment 2024
Savings-i Qard Account	-
Al-Awfar Investment Account	-
-	Term Deposit-i (Tawarruq)

Date	*Daily Ending Balance (RM) during the Haul period				Nisab Status	Status
	Savings-i Qard Account	Al-Awfar Investment Account	Term Deposit-i (Tawarruq)	Total Amount (RM)		
30 December 2023	3,000	3,000	2,000	8,000	Not Reach	Registered Zakat
1 January 2024	10,000	15,000	25,000	50,000	Reach	Haul start



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22 April 2024	30,000	3,000	2,000	35,000	Reach	Haul start from 1 January 2024
31 December 2024	3,000	50,000	2,000	55,000	Reach	Haul period end
The Amount of Zakat	RM35,000 x 2.5% = RM 875					

Note: RM35,000 is the lowest balance during the haul period.

Scenario 2: Encik Abu has a Savings-i Qard Account and Al-Awfar Investment Account which was opened before the year of assessment and opened a Term Deposit-i (Tawarruq) in the year of assessment 2024.

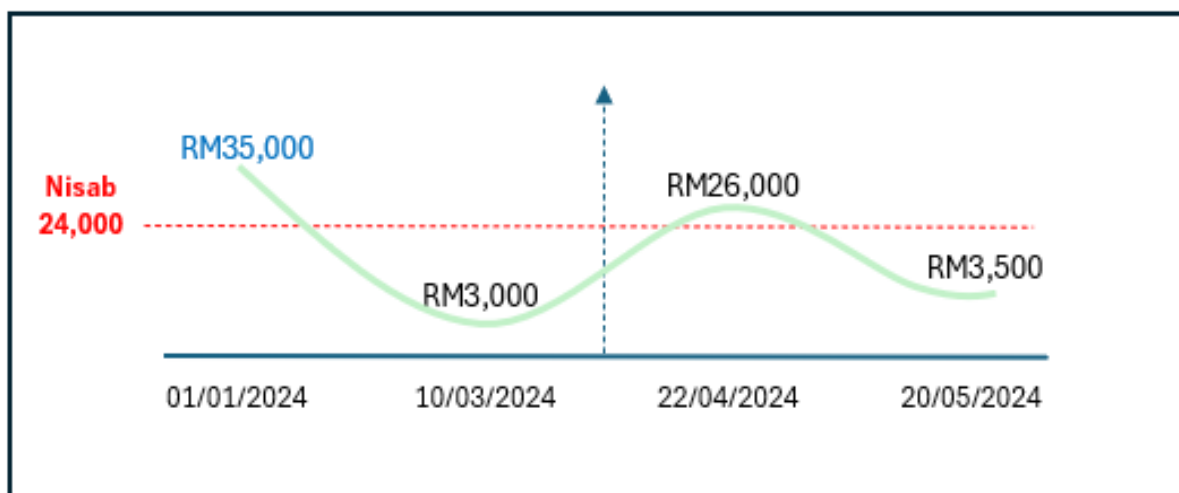
Before the year of assessment	Year of zakat assessment 2024
Savings-i Qard Account	-
Al-Awfar Investment Account	-
-	Term Deposit-i (Tawarruq)

Dates	*Daily Ending Balance (RM) during the Haul period				Nisab Status	Status
	Savings-i Qard Account	Al-Awfar Investment Account	Term Deposit-i (Tawarruq)	Total Amount (RM)		
30 December 2023	3,000	3,000	2,000	8,000	Not Reach	Registered Zakat
1 January 2024	30,000	3,000	2,000	35,000	Reach	Haul start
10 March 2024	1,000	1,500	500	3,000	Not Reach	Haul 1 January 2024 void
22 April 2024	10,000	15,000	1,000	26,000	Reach	Haul restart
20 May 2024	1,000	1,500	1,000	3,500	Not Reach	Haul 22 April 2024 void
The Amount of Zakat	No zakat is imposed on 22 April 2025 as the haul on 22 April 2024 was nullified on 20 May 2024					

Note: A haul is 365 days. If your balance drops below nisab current haul will be terminated, a new haul starts when the balance exceeds nisab again.



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Note: The AMZ list is periodically updated. Subject to the participation of AMZ state from time to time. A full list of AMZs participating in this service can be found on the Bank Islam website at www.bankislam.com.

4.4	Accounts that are frozen or used as collateral will be excluded from the Zakat calculation under this service.
4.5	Bank Islam will notify eligible customers prior to debiting their account for zakat payment. Customers are responsible for ensuring that the balance in their designated account (as outlined in clause 3.2) is sufficient to cover the zakat payment.
4.6	An official receipt for the zakat payment made through this service will be issued by the AMZ and sent directly to the customer either electronically or physically, depending on the AMZ preference. If there are any errors or if the customer does not receive the official receipt, they are advised to contact the AMZ directly for assistance.
4.7	If the designated account is closed, frozen, or if the balance is insufficient to cover the zakat payment, Bank Islam will not attempt to debit any other available accounts. In such cases, the Bank will not make the zakat payment on behalf of the customer for that assessment year. The customer will be responsible for fulfilling their zakat obligation independently for that year.
4.8	If Bank Islam is unable to debit the customer's account as outlined in clause 4.7, the service will not be automatically terminated. Instead, Bank Islam will continue to provide the service for the following assessment year, unless the customer terminates the service.
4.9	To terminate this service, the customer must complete Application Form for Zakat Savings And Investments Payment Service at any Bank Islam branch.
5.0	FEES AND CHARGES
5.1	No fees or charges will be imposed on the customer for this Service.
6.0	DISCLOSURE OF INFORMATION
6.1	The customer gives permission to Bank Islam to process the customer's personal data in accordance with the Bank Islam Privacy Notice signed by the customer, which can be found on Bank Islam's website https://www.bankislam.com/wp-content/uploads/BankIslam-PrivacyNotice_NotisPrivasi.pdf .
6.2	Bank Islam will disclose the customer's personal data to the AMZ in order to fulfill its responsibilities under this service. Therefore, the customer provide consent for Bank Islam by subscribing to the Service to share their



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	name, ID number, mailing address, and zakat amount with the AMZ of their choice, as necessary for the purpose of this service, including the issuance of the zakat payment receipt.
7.0	ADDITIONAL TERMS AND CONDITIONS
7.1	Bank Islam and its affiliates, along with its directors, officers, employees, and agents (hereinafter referred to as "Bank Islam") involved, shall not be responsible for any errors in fact assessment, and/or any injury and/or loss of life and/or property damage arising from this Service. Bank Islam shall not be liable in any way, whether directly or indirectly, for any loss or damage or any personal injury and/or anything experienced by the Customer that occurs directly or indirectly, in whole or in part, in connection with the customer engaging in the service, except for any liability that cannot be excluded by law and/or as a result of any action or negligence by Bank Islam. Bank Islam shall not be responsible in any way for any matters beyond its scope and control in the administration and processing of this Service.
7.2	Bank Islam has the right to amend, cancel, terminate, or suspend this Service by providing sufficient notice of not less than twenty-one (21) days before the date of such amendment, cancellation, termination, or suspension. The method of notification may be made in writing via electronic media, or posted at Bank Islam branches or on the Bank Islam website. To avoid doubt, any cancellation, termination, or suspension of the Service by Bank Islam does not entitle the Customer to make any claim or compensation against Bank Islam for any loss or damage or any other consequences suffered or incurred by the Customer, whether directly or indirectly, as a result of such cancellation, termination, or suspension.
7.3	Customers are advised to visit the Bank Islam website from time to time to review the terms and conditions of the Service to take note of any changes or amendments to the terms and conditions.
7.4	If there are any changes to the Customer's personal information such as address or phone number, the Customer must inform the Bank immediately to ensure that all communications can be delivered to the Customer without delay.
7.5	If any provision in these terms and conditions is found to be invalid, unlawful, or unenforceable under any law or for any reason, the validity and enforceability of the remaining provisions shall not be affected.
8.0	LAW
8.1	These terms and conditions shall be governed by or subject to the laws of Malaysia.