

GENERAL TERMS AND CONDITIONS (“TERMS”)

IMPORTANT NOTICE

These Terms are terms and conditions in addition to the terms and conditions set out in the Letter of Offer, the General Facility Agreement and the Shariah Terms and shall form a legally binding agreement between the Customer and the Bank in respect of the banking facilities obtained by the Customer from the Bank. You are advised to read and understand these Terms. If you do not understand any of these Terms, you may seek the Bank’s clarification.

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Applicable Laws or Guidelines	any laws or any directives, guidelines, circulars, notes, directions, requests, requirements, orders, rules, rulings and/or regulations (in each case, whether or not having the force of law) including ESG Law of any governmental and/or regulatory authority and/or other persons or body having authority or jurisdiction over the Bank, the Customer and/or the Security Party, as the case may be.
Additional Business Day	the day as specified in the Reference Rate Terms.
Availability Period	such period whereby the Facility will be available for utilisation, as stated in the Letter of Offer.
Bank	CIMB Islamic Bank Berhad (Registration No. 200401032872 (671380-H))
Bank’s Board Shariah Committee	means the Board Shariah Committee of the Bank established in accordance with the requirements of the IFSA and the Bank’s Constitution.
Base Financing Rate or BFR	the rate of financing per annum prescribed by the Bank from time to time as its base financing rate.
BNM	Bank Negara Malaysia.
Business Day	a day on which the Bank is open for business in respect of the Facilities, and in relation to: (i) any date for payment of an amount relating to a financing or the principal sums outstanding under the Facility; or (ii) the determination of the first day or the last day of a profit period for a financing or the principal sums outstanding under the Facility, or otherwise in relation to the determination of the length of such a profit period, which is an Additional Business Day relating to that profit or the principal sums outstanding under the Facility.
Central Bank Rate	the rate specified as such in the Reference Rate Terms.
Companies Act	the Companies Act 2016 of Malaysia.
Constitution	has the meaning provided in the Companies Act 2016.
Cost of Funds or COF	the cost of fund incurred by the Bank for obtaining funds in the relevant interbank market to fund the amount and for the tenure of the banking facilities applicable to the profit period or any overdue amount, as the case may be and to which shall be added the cost of maintaining statutory reserves and complying with liquidity and other requirements imposed at any time by BNM and/or any other authorities having jurisdiction over the Bank in Malaysia.
Customer	the person(s) named and having his (their) address as stated in the Letter of Offer who had obtained the Facilities from the Bank.
Daily Rate	the rate specified as such in the Reference Rate Terms.
ESG	environmental, social and governance matters.
ESG Claim	any claim, proceeding, investigation or any similar actions by any governmental and/or regulatory authority and/or any person or body in respect of ESG.
ESG Due Diligence	any assessment to identify ESG risks and impacts appropriate to the scale and risk profile of the business/ operation, and related mitigation policies, mechanisms, and plans.
ESG Law	any applicable law, rules, regulations, guidelines, directives or guidance in any jurisdiction in which the Customer, any of its subsidiaries and/or the Security Party conduct business which relates to issues concerning ESG including but not limited to, (i) adverse impacts on UNESCO World Heritage Sites (ii) illegal forest encroachment, unlawful use of natural resources, pollution, or adverse impacts to the environment and ecosystems, including endangered and protected species of flora and fauna; (iii) climate change mitigation and adaptation; (iv) occupational, public, health and safety; (v) labour laws, human rights, labour rights including modern slavery, and communities’ rights; and (vi) social security and responsibility.
ESG Permits	any authorisation and the filing of any notification, report or assessment required under any ESG Law for the operation of the business of the Customer, any of its subsidiaries and/or the Security Party conducted on or from the properties owned or used by the Customer, any of its subsidiaries and/or the Security Party.
Event of Default	any of the events mentioned in Clause 10 or any event which, with a lapse of time and/or the giving of notice and/or a determination being made under the relevant paragraph, would constitute any of the events mentioned in Clause 10.
Exim Bank	Export-Import Bank of Malaysia Berhad (Registration No:199501027992/357198-K).
Facility	the facility or facilities stated in the Letter of Offer granted or to be granted by the Bank to the Customer subject to the terms and conditions of the Transaction Documents and where the context so requires or admits, references to the Facilities shall be construed as a reference to one or more of the Facilities or all the Facilities and “ Facility ” shall be construed accordingly.
General Facility Agreement	the agreement executed between the Customer and the Bank relating to the Facility, including any variation, amendment, supplemental and substitution thereto.
Indebtedness	the aggregate of all monies, whether principal, profit, Claims and Ta’widh (Compensation), commission, cost, fees, charges or other monies due, outstanding or payable or agreed to be payable by the Customer and /or any Security Party to the Bank from time to time whether solely or jointly with any other person and whether as principal or surety and includes all liabilities, obligations and indemnities whether present or future or actual or contingent for the payment of all or any monies by the Customer and/or Security Party in respect of or arising from the Facility or future facilities to be granted by

	the Bank to the Customer, at any time and from time to time, and references to “ Indebtedness ” shall be construed as a reference to all or any part thereof.
Labuan FSA	the Labuan Financial Services Authority, Malaysia.
Letter of Offer	the letter of offer issued by the Bank to the Customer relating to the Facility, including any variation, amendment, supplemental and substitution thereto.
Market Disruption	the occurrence, determined at the Bank’s sole discretion, of either of the following: <ul style="list-style-type: none"> (i) there is no applicable RFR or Central Bank Rate for the purposes of calculating the RFR rate for any RFR Banking Day during a profit period for a financing or the principal sums outstanding under the Facility for the time being; or (ii) the Bank’s cost of funding that financing or the principal sums outstanding under the Facility for the time being exceeds the Market Disruption Rate.
Market Disruption Rate	the rate specified as such in the Reference Rate Terms.
Obligors	has the meaning assigned to it at Clause 10.1(g).
Power of Attorney	the power of attorney to be issued/executed by the Security Party in favour of the Bank, in form and content acceptable to the Bank.
Prevailing Profit Rate	the rate or rates of profit specified in the Letter of Offer in respect of the various Facility (including the BFR, RFR and Cost of Funds, where applicable), and such other rate or rates of profit as may be prescribed by the Bank from time to time.
Payment Date	the payment date or dates specified in the Letter of Offer for the various Facility.
Reference Rate Terms	the terms set out in the Letter of Offer.
Restricted Party	refers to a person: <ul style="list-style-type: none"> (i) that is listed on, or owned or controlled by a person listed on, or acting on behalf of a person listed on, any Sanctions List; (ii) that is located in, incorporated under the laws of, or owned or (directly or indirectly) controlled by, or acting on behalf of, a person located in or organized under the laws of a country or territory that is the target of country-wide or territory-wide Sanctions; (iii) with whom a US person or other national of a Sanctions Authority would be prohibited or restricted by law from engaging in trade, business or other activities; or (iv) that is listed or restricted under the Bank’s policy or persons acting on behalf of or a person located in prohibited or restricted countries under the Bank’s policy or persons acting on behalf of a person dealing in prohibited business or currencies under the Bank’s policy or persons acting on behalf of such person.
RFR	the rate specified as such in the Reference Rate Terms.
RFR Banking Day	any day specified as such in the Reference Rate Terms.
Ringgit Malaysia and RM	the lawful currency of Malaysia.
Sanctions	the economic sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by any Sanctions Authority.
Sanctions Authority	refers to: <ul style="list-style-type: none"> (i) the US government; (ii) the United Nations; (iii) the European Union; (iv) the United Kingdom government; (v) the Malaysian Government; (vi) the Government of countries in which CIMB Group has presence or dealings; (vii) the respective Governmental Agencies and governmental institutions of any of the foregoing, including, the Office of Foreign Assets Control of the US Department of Treasury, the US Department of State and Her Majesty's treasury of the United Kingdom; or (viii) and other enforceable authority.
Sanctions List	refers to <ul style="list-style-type: none"> (i) the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the US Department of Treasury and published from time to time on its website at http://www.treasury.gov/resource-center/sanctions/SDN- List/Pages/default.aspx (or any replacement website or page); (ii) the consolidated list of financial sanctions targets and the investment ban list maintained by Her Majesty's treasury of the United Kingdom and published from time to time on its website at http://www.hm-treasury.gov.uk/fin_sanctions_index.htm (or any replacement website or page); or any similar list maintained by, or public announcement of Sanctions designation made by, any Sanctions Authority controlled, prohibited or restricted goods list maintained by law enforcement agencies.
Security Documents	the agreements and documents in respect of the Security Interest, including any variation, amendment, supplemental and substitution thereto.
Security Interest	any guarantee, mortgage, pledge, lien, right of set-off, sale with right of retention (other than a lien, right of set-off or sale with right of retention arising by operation of law and in the normal course of business), charge (whether legal or equitable, fixed or floating), assignment, debenture, hypothecation, deposit, takaful certificate and/or any security interest of any kind (including without prejudice any “hold-back” or “flawed assets” arrangement title retention, assignment or transfer by way of security, sale and lease-back, sale and repurchase on credit terms) and/or any other arrangement having substantially the same legal or economic effect as any of the foregoing, and “ secured ” shall be construed accordingly.
Security Party	any persons presently or in future executing or providing any Security Interest and/or any form of security to the Bank for payment of the Indebtedness, and any reference to the Security Party includes references to any of them.
Transaction Documents	the Letter of Offer, the General Facility Agreement, these Terms, the Shariah Terms, the Security Documents and such other documents and agreements as may be required by the Bank relating to the Facility.

1.2 Interpretation

In these Terms (unless the context otherwise requires):

- (a) words applicable to natural persons shall include any body of persons, companies, corporations, firms or partnerships, states, administrative and governmental entities, and vice versa and shall also include their respective permitted assigns, personal representatives, successors-in-title, as the case may be;
- (b) references to the masculine gender include the feminine and neuter genders and vice versa, and references to the singular number include the plural and vice versa;
- (c) references to any Schedule, Clauses, sub-clauses, paragraphs and sub-paragraphs are references to the schedules, clauses, sub-clauses, paragraphs and sub-paragraphs of these Terms;
- (d) the headings of clauses and the underlined introductory words to sub-clause are inserted for ease of reference only and shall be ignored in construing these Terms;
- (e) references to any statute, law, enactment, rule or regulation include the statute, law, enactment, rule or regulation as reenacted, amended or extended from time to time;
- (f) references to any document shall be deemed to include references to such document as varied supplemented or replaced from time to time;
- (g) all annexures, schedules or appendices to these Terms shall be taken, read and construed as essential parts of these Terms;
- (h) where two or more persons or parties are included or comprised in any agreements, terms, stipulations and undertakings expressed to be made to such persons or parties the same shall be enforceable by them jointly and severally and all agreements, terms, stipulations and undertakings expressed to be made by or on the part of such persons or parties shall be deemed to be made by and binding upon such person or parties jointly and severally;
- (i) words and expressions denoting singular shall include the plural and vice versa; and
- (j) words denoting an obligation on a person or party to do any act, matter or thing include an obligation to procure that it be done and words placing a person or party under a restriction include an obligation not to permit infringement of that restriction.

2. CONDITIONS PRECEDENT AND DISBURSEMENT

2.1 Conditions for Utilisation if:

- (a) no Event of Default has occurred or would occur as a result of the utilisation of any of the Facility;
- (b) the conditions precedent in the Letter of Offer, have been fulfilled by the Customer to the satisfaction of the Bank;
- (c) all fees and expenses payable hereunder which have become due have been paid in full;
- (d) there has been no material adverse change in the financial condition of the Customer;
- (e) each of the representations and warranties set out in Clause 6.1 remain accurate at the date of utilisation as if given on that date by reference to the facts and circumstances then existing;
- (f) there has been no change in circumstances or law which may affect the ability of the Bank to grant the Facilities or which may increase the costs to the Bank in doing so; and
- (g) so required by the Bank, the Customer shall have delivered to the Bank a notice for utilisation in such form and substance as may be prescribed by the Bank.

then subject to the provisions of the Letter of Offer and the Transaction Documents, and in particular to the specific terms and conditions set out in relation to the particular Facility, the Customer may on a Business Day during the duration of the Facility or the Availability Period (as the case may be) utilise or continue to utilise the Facility.

2.2 Disbursement

- (a) The Customer hereby authorises the Bank to pay any amounts of the Facility in such manner and upon such terms and/or conditions as determined by the Bank, to any financial institution, firm of solicitors, developer or vendor, builder, contractor, architect and/or any such persons as the Bank may in its discretion decide, and/or by progressive release or otherwise as determined by the Bank.
- (b) The Customer shall not request the Bank to stop or defer any disbursement of the Facility if the Bank has already given any undertaking to any third parties to disburse the Facility.
- (c) The Customer shall indemnify the Bank for all costs, expenses, claims and demands made on the Bank pursuant to the Bank giving any express or implied undertaking for and on behalf of the Customer to any financial institution or developer or vendor or their solicitors of firm of solicitors purporting to act for any of them.

3. THE FACILITY

The Customer undertakes and agrees that the Facility shall be used solely for the purposes as herein stated. Despite the foregoing provision:

- (a) the Bank shall not be obliged to enquire as to the utilisation by the Customer of the Facility or to ensure that they are in fact utilised as envisaged; and
- (b) the liability of the Customer under the Transaction Documents shall not be in any way prejudiced, affected or diminished by reason that all or any part of the Facility are utilised for some other purpose (whether or not the Bank has notice of that fact).

4. PAYMENT AND VARIATION OF PROFIT, COMMISSIONS, DISCOUNT RATES, FEES AND CHARGES

4.1 Payment of Profit

Unless any other profit payment period is specified by the Bank, the Customer shall pay to the Bank the profit, commission, fees, discount rates, other bank charges or fees whatsoever set out in the relevant Letter of Offer and chargeable under the Transaction Documents. The profit period for each utilisation or

disbursement under the Facility shall be divided into successive profit periods of one (1) month. The Bank may revise the duration of the profit periods by giving the Customer not less than twenty-one (21) calendar days' prior written notice.

4.2 Right to Recall

Despite the provision of Clause 4.1 above, the Bank may by notice to the Customer recall the Facility upon any non- payment of profit and/or principal sums and/or disbursements when due to the Bank.

4.3 Variation

The Bank may vary the Prevailing Profit Rate or commissions or discount rates or other bank charges provided in these Terms or elsewhere in any of the Transaction Documents, or in the manner or mode of computation or charging or howsoever) by giving twenty-one (21) days' notice. The variation will take effect on the date as stated in the notice.

Provided always that the above prevailing profit rate within the duration or tenure of the Facility must always be above the Bank's effective Cost of Funds. In the event that the BFR is equal to or fall below the COF, the Bank may upon giving the Customer not less than twenty-one (21) calendar days' prior written notice, vary the above Prevailing Profit Rate or to vary the structure of the profit rate from BFR to COF.

In the event of any delay on the part of the Bank to give any notice to the Customer regarding any variation as stated above shall not relieve the Customer from its obligation to pay the profit, commissions, discount charges or other bank charges or fees at the varied rates. The decision and certificate or confirmation of the Bank as to what at any time is the rate of profit chargeable or commission or discount charges or other bank charges or fees or the amount of profit or commission or discount charges or other bank charges or fees payable by the Customer shall in the absence of manifest error be final and conclusive and binding upon the Customer shall not, in the absence of manifest error, be questioned on any account whatsoever.

4.4 Changes to Payment Terms Consequential to Variation of Profit

Subject to Clause 4.3 above, if as and when the rate of profit payable by the Customer under any of the Transaction Documents is varied by the Bank, the Bank may in its discretion, by notice to the Customer make the necessary adjustments consequential to such variation by:

- (a) varying the amount of any instalments;
- (b) varying the number of instalments; and/or
- (c) varying the time for payment;

4.5 Method of Calculating Profit

- (a) For Ringgit Malaysia denominated facilities, profit shall be calculated on the basis of actual days elapsed and shall be paid by the Customer (which the Customer hereby undertakes to do) to the Bank at the end of each profit period.
- (b) For foreign currencies-denominated facilities, the rate of profit on the Facility for any day during a profit period is the percentage rate per annum which is the aggregate of the applicable:
 - (i) margin as specified in the Letter of Offer for the various Facility; and
 - (ii) RFR Rate for that day.

If any day during a profit period for a Facility is not an RFR Banking Day, the rate of profit on that Facility for that day will be the rate applicable to the immediately preceding RFR Banking Day.

Profit shall accrue from day to day and the amount of such profit is calculated on the basis of the actual number of days elapsed and a year of 365 days (or, in any case where the practice in the Relevant Market differs, in accordance with that market practice).

- (c) Despite the above, the Customer hereby agrees that the method or manner of calculation of profit or commission or discount charges or other bank charges or fees payable herein shall be by such method or manner as the Bank shall adopt from time to time in the discretion of the Bank and the decision of the Bank shall in the absence of manifest error be final and conclusive.

4.6 Claims and Ta'widh (Compensation)

If there is a default in the payment of any instalment, profit and/or any other moneys covenanted to be paid by the Customer under the Facilities or a demand is made by the Bank of the Indebtedness or any part thereof, the Customer shall pay to the Bank Claims and Ta'widh (Compensation) at the rate prescribed in the Letter of Offer. Such Claims and Ta'widh (Compensation) is calculated from the date such payment is overdue until the date of full payment both before as well as after any demand or judgment and notwithstanding the banker and Customer relationship may have ceased or been terminated.

4.7 Market Disruption (applicable to Foreign Currencies only)

The Bank may at its sole discretion determine that a Market Disruption has occurred and Clause 4.5(b) shall not apply to that Facility for that profit period, in which event the Bank may give the Customer not less than twenty-one (21) calendar days' prior written notice that the rate of profit for that Facility for that profit period shall be the percentage rate per annum which is the sum of:

- (a) the applicable margin as specified in the Letter of Offer for the various Facility; and
- (b) the Bank's Cost of Fund (determined at the Bank's sole discretion) for that financing or the principal sums outstanding under the Facility for the time being.

When this Clause 4.7 applies, and the Bank so agrees, the Bank and the Customer may enter into negotiations (for a period of not more than thirty (30) days) with a view to agreeing a substitute basis for determining the rate of profit.

4.8 Changes to reference rate

- (a) If an RFR Replacement Event (as defined below) has occurred, the Bank and the Customer may mutually agree to any amendment or waiver which relates to:
 - (i) providing for the use of a Replacement Reference Rate (as defined below) in place of the RFR; and
 - (ii) (A) aligning any provision of any Transaction Document to the use of that Replacement Reference Rate;
 - (B) enabling that Replacement Reference Rate to be used for the calculation of profit under this Facility and the relevant Transaction Documents (including, without limitation, any consequential changes required to enable that Replacement Reference Rate to be used for the purposes of these Terms);
 - (C) implementing market conventions applicable to that Replacement Reference Rate;

- (D) providing for appropriate fallback (and market disruption) provisions for that Replacement Reference Rate; or
 - (E) adjusting the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one party to another as a result of the application of that Replacement Reference Rate (and if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Relevant Nominating Body (as defined below), the adjustment shall be determined on the basis of that designation, nomination or recommendation).
- (b) An amendment or waiver that relates to, or has the effect of, aligning the means of calculation of profit on a Facility under the Letter of Offer and/or these Terms to any recommendation of a Relevant Nominating Body which:
- (i) relates to the use of a risk-free reference rate on a compounded basis in the international or any relevant domestic syndicated financing markets; and
 - (ii) is issued on or after the date of the Letter of Offer and/or the Transaction Documents,
 - (iii) may be made with the mutual agreement of the Bank and the Customer.
- (c) In this Clause 4.8:

“RFR Replacement Event” means:

- (i) the methodology, formula or other means of determining the RFR has, in the opinion of the Bank and the Customer, materially changed;
- (ii) (A)
 - (1) the administrator of the RFR or its supervisor publicly announces that such administrator is insolvent; or
 - (2) information is published in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body which reasonably confirms that the administrator of the RFR is insolvent,

provided that, in each case, at that time, there is no successor administrator to continue to provide the RFR;

 - (B) the administrator of the RFR publicly announces that it has ceased or will cease, to provide the RFR permanently or indefinitely and, at that time, there is no successor administrator to continue to provide the RFR;
 - (C) the supervisor of the administrator of the RFR publicly announces that the RFR has been or will be permanently or indefinitely discontinued;
 - (D) the administrator of the RFR or its supervisor announces that the RFR may no longer be used;
- (iii) the administrator of the RFR determines that the RFR should be calculated in accordance with its reduced submissions or other contingency or fallback policies or arrangements and either:
 - (A) the circumstance(s) or event(s) leading to such determination are not (in the opinion of the Bank and the Customer) temporary; or
 - (B) the RFR is calculated in accordance with any such policy or arrangement for a period no less than the period specified as the “RFR Contingency Period” in the Reference Rate Terms; or
- (iv) in the opinion of the Bank and the Customer, the RFR is otherwise no longer appropriate for the purposes of calculating profit under these Terms.

“Relevant Nominating Body” means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them or the Financial Stability Board.

“Replacement Reference Rate” means a reference rate which is:

- (i) formally designated, nominated or recommended as the replacement for the RFR by:
 - (A) the administrator of the RFR (provided that the market or economic reality that such reference rate measures is the same as that measured by the RFR); or
 - (B) any Relevant Nominating Body,

and if replacements have, at the relevant time, been formally designated, nominated or recommended under both paragraphs, the “Replacement Reference Rate” will be the replacement under sub-paragraph (B) above;
- (ii) in the opinion of the Bank and the Customer, generally accepted in the international or any relevant domestic syndicated financing markets as the appropriate successor to the RFR; or
- (iii) in the opinion of the Bank and the Customer, an appropriate successor to the RFR.

5. SECURITY

5.1 Undertaking relating to Security

In consideration of the Bank granting the Facility and as continuing security for the payment by the Customer of the Facility and the Indebtedness, the Customer shall in addition to other Transaction Documents prior to or contemporaneously with the execution of the other Transaction Documents, and/or as and when required by the Bank, execute and/or provide, or cause the Security Party to execute and/or provide, the Security Documents.

5.2 Continuing Security

Any form of security created by or under the Security Documents is intended to be and shall be a continuing security for all monies whatsoever now or hereafter and from time to time owing or payable to the Bank under the Facilities and the Indebtedness and is in addition to, and shall not be merged in, or in any way prejudice, any other security which the Bank may now or hereafter hold or have with the Customer or any other person in respect of the Indebtedness due under the Transaction Documents.

5.3 Restriction against Other Security Interest

The Customer hereby declares that there is no subsisting encumbrance whatsoever upon any of its assets secured by the Security Interest or Security Documents to which it is a party and the Customer shall not during the term of the Transaction Documents and the Security Interest, without the consent in

writing of the Bank, execute or grant any form of encumbrances in respect of any of its assets secured by the Security Documents and shall procure that each Security Party similarly does not do so in respect of any assets of that Security Party secured by the Security Documents.

5.4 Undertaking to Provide Further Security

If the Bank shall determine that further or additional security is required from the Customer and/or the Security Party to secure the Facility or Indebtedness for whatever reasons including any increase in the liabilities, commitment and/or obligations of the Bank under the Transaction Documents or there has occurred or is likely to occur any dilution, reduction, decrease or failure in any Security Interest, the Customer and/or the Security Party, shall upon receipt of prior written notice from the Bank-

- (a) provide and/or execute in favour of the Bank or as the Bank shall direct, any further Security Interest, including but not limited to any charges, mortgages, assignments, transfers or agreements in relation to the estate, assets or business, which now or in future will belong to the Customer and/or the Security Party and the benefit of all licences held in connection with such estate, assets or business as the Bank shall require, to secure all moneys and liabilities hereby agreed to be paid or intended to be hereby secured, such Security Interest to be prepared by or on behalf of the Bank at the cost of the Customer and to contain all such terms and conditions for the benefit of the Bank as the Bank may require.
- (b) procure the Security Party to, at any time if and when required by the Bank so to do, deposit with the Bank the documents of title of any or all immovable properties vested in the Customer or the Security Party for any tenure and all or any debentures shares stocks or other investments or securities to the Customer or the Security Party. Such deposit may be by way of collateral security for the payment of moneys and liabilities hereby secured and may also or otherwise be for the purpose of securing any other moneys owing or payable to the Bank by the Customer and not secured hereunder.

5.5 Agreement not to prejudice existing or collateral security.

The Transaction Documents shall be without prejudice to any Security Interest which may already or hereafter be given by the Customer or a Security Party whether the same be for securing the payment of the Indebtedness or any part thereof or any other money agreed to be paid and whether such Security Interest is taken as additional or collateral security or otherwise howsoever.

6. REPRESENTATION AND WARRANTIES

6.1 Representations and Warranties

The Customer acknowledges that the Bank has entered into the Transaction Documents and granted the Facility in full reliance on representations by the Customer in the following terms and the Customer now represents and warrants to the Bank that:

(a) Powers and authorisations

the Customer and/or the Security Party have the power and/or authority to execute, deliver and perform the terms and conditions of the Transaction Documents, and have taken all necessary corporate and/or other actions to authorise the execution, delivery and performance of the Transaction Documents;

(b) Non-Violation

the Transaction Documents constitute the legal, valid and binding obligations of the Customer and/or the Security Party, and the execution, signing, delivery and/or performance of the Transaction Documents by the Customer or the Security Party, does not or will not exceed the power or authority granted to them by or violate the provisions of:

- (i) any law by which they or any of their assets are subject to, bound or affected;
- (ii) their Constitution (where the Customer and/or the Security Party, as the case may be, has a Constitution); and/or
- (iii) any agreement to which they are parties or by which any of their assets are bound;

(c) Consents

no authorisation, approval, consent, license, exemption, recording, filing or notarisation and no payment of any duty or tax and no other action whatsoever is necessary or desirable to ensure the validity, enforceability or priority of the liabilities and obligations of the Customer and/or the Security Party, or the rights of the Customer and/or the Security Party, under the Transaction Documents;

(d) No Default

no event has occurred which constitutes, or which with the giving of notice and/or the lapse of time and/or a relevant determination would constitute, a contravention of, or default under, any agreement or instrument by which the Customer or the Security Party or any of their assets are bound or affected, being a contravention or default which might either have an adverse effect on the business, assets or condition of the Customer or the Security Party or their ability to perform their obligations under the Transaction Documents to which they are a party;

(e) Litigation

no litigation (whether civil or criminal), arbitration or administrative proceeding or claim, which might by itself or together with any other such proceedings or claims, either have an adverse effect on the Customer's or the Security Party's business, assets or conditions, or adversely affect their ability to observe or perform their obligations under the Transaction Documents to which they are parties, is presently in progress or pending or, to the best of the knowledge, information and belief of the Customer, threatened against the Customer or the Security Party or any of their assets;

(f) Tax Liabilities

all necessary returns have been delivered by or on behalf of the Customer and/or the Security Party to the relevant taxation authorities and the Customer is not in default in the payment of any taxes, assessments, fees and other governmental charges assessed against each of them or upon any of their respective properties, assets, business or income, and no claim is being asserted with respect to taxes which is not disclosed in the financial statements referred to in paragraph (g) below;

(g) Accounts

the audited financial statements (including the income statement and balance sheet) of the Customer if so required by the Bank have been prepared on a basis consistently applied in accordance with generally accepted accounting principles in Malaysia and give a true and fair view of the results of its operations for the period stated and the state of its affairs at that date, and in particular accurately disclose or reserve against all the liabilities (actual or contingent) of the Customer;

(h) Assets

the Customer and/or the Security Party are the beneficial owners and have title to all their assets and/or property, and that the assets and/or Property and/or any other asset provided by the Customer and/or the Security Party as security for the payment of the Facilities, is free from any other Security Interest and/or any other encumbrances other than those created pursuant to the Transaction Documents;

(i) No Security

save and except as disclosed to the Bank, none of the assets of the Customer and/or Security Party are affected by any Security Interest, and the Customer and/or the Security Party are not a party to, nor is it or any of their assets and/or property bound by, any order, agreement or instrument under which the Customer and/or the Security Party are, or in certain events may be, required to create, assume or permit to arise, any Security Interest, other than those created pursuant to the Transaction Documents or those permitted under Clause 7.1 herein;

(j) Change in Customer

since the date the Customer applied for the Facility there has been no material alterations or changes in the constitution, condition, business, operating environment, management or other affairs of the Customer which could or might adversely affect the ability of the Customer to perform its obligations under the Transaction Documents to which it is a party;

(k) Change in Law

no extraordinary circumstances or change of law or other government action has occurred which shall make it improbable that the business of the Customer can be carried out or that the Customer will be able to observe and perform the undertakings and obligations on its part to be performed and observed under the Transaction Documents to which it is a party;

(l) Information

the information furnished and declarations made by the Customer in connection with the Facilities does not contain any untrue statements or omit to state any fact the omission of which makes the statements therein, in the light of the circumstances under which they were made, misleading, and all expressions of expectation, intention, belief and opinion contained therein were honestly made on reasonable grounds after due and careful enquiry by the Customer;

(m) Disclosure

the Customer has fully disclosed in writing to the Bank all facts relating to the Customer which the Customer knows or should reasonably know and which are material for disclosure to the Bank in the context of the Facility;

(n) No Event of Default

that no Event of Default has occurred or will occur as a result of the Bank making available or continuing to make available the Facility;

(o) Receivership/Winding Up

no petition has been filed and no steps have been taken or any order made, for any voluntary arrangement, judicial management, scheme of compromise, arrangement, reorganization, reconstruction, amalgamation, bankruptcy, insolvency, winding up or liquidation of the Customer and/or Security Party as the case may be, and/or to appoint a trustee, nominee, supervisor, judicial manager, manager, administrator, receiver, receiver and manager or similar officer to take over the assets of the Customer and/or the Security Party, and/or to appoint a liquidator and/or provisional liquidator of the Customer or Security Party;

(p) Illegality

that neither the Customer nor any Security Party is involved in any illegal activities and all moneys and properties provided to the Bank are not derived in any way from illegal activities.

(q) Connected Persons

none of the directors, partners, executive officers, agents and/or guarantors of the Customer and/or the other Security Party (including their respective close relatives) is a director, controlling shareholder, influential shareholder, executive officer and/or officer of the Bank or is in any way otherwise connected with the Bank in accordance with the BNM's regulations. Close relatives means those family members who may be expected to influence or be influenced by the individual, as well as dependents of the individual. This includes the individuals' respective spouse and dependents of the spouse, child (including step children and adopted children) and spouse of the child, parent and brother or sister and their spouses.

(r) Sanctions

neither it nor any of its related corporations, nor any of their respective directors, officers or employees nor, to its knowledge, any persons acting on any of their behalf:

(i) is a Restricted Party;

(ii) has received notice of or is aware of any claim, action, suit, proceeding or investigation against it with respect to Sanctions by any Sanctions Authority; or

(iii) deals with prohibited, restricted or controlled and dual goods or services, business, countries, currencies or vessels, without appropriate approvals, permits or consent.

6.2 Repetition

Each of the above representations and warranties will be correct and complied with by the Customer in all material respects on (a) each date on which a utilization or disbursement is requested or to be made (b) each Profit Payment Date, (c) the Payment Date, and (d) in any case, on each day on which the Facility are utilised, as if repeated then by reference to the then existing circumstances, except that each reference to financial statements in Clause 6.1(g) above shall be construed as a reference to the then latest available audited financial statements.

6.3 Survival

The representations and warranties of the Customer set out in the Transaction Documents shall survive and continue to have full force and effect after the execution and delivery of the Transaction Documents and in spite of any investigation by or on behalf of the Bank or any disclosure made by the Customer or a Security Party.

7. UNDERTAKINGS

7.1 Affirmative Undertakings

The Customer agrees and undertakes with the Bank as follows:

(a) Ranking

the Customer will ensure that the liabilities of the Customer under the Transaction Documents rank and will rank (and would rank if the Security Documents were neither executed nor required) at least equally and rateably (pari passu) in point of priority and security with all its other liabilities (both actual and contingent) except such secured liabilities permitted to be created under the Transaction Documents;

(b) Preparation of Accounts

the Customer will prepare the financial statements referred to in Clause 6.1(g) on a basis consistently applied in accordance with generally accepted accounting principles in Malaysia and those financial statements shall give a true and fair view of the results of the operations of the Customer for the period in question and the state of its affairs for the period to which the financial statements are made up, and shall disclose or reserve against all the liabilities (actual or contingent) of the Customer;

(c) Information

the Customer will deliver to the Bank in sufficient copies:

- (i) as soon as they become available (and in any event within 6 months after the end of each of its financial periods), copies of its and the Security Party's financial statements for that period which shall include but not limited to an income statement and a balance sheet which are audited and certified without qualification by a firm of independent accountants acceptable to the Bank;
- (ii) within 90 days after the end of each half year it's the relevant financial year, copies of its and the Security Party's unaudited financial statements for that period which shall include but not limited to an income statement and a balance sheet which are duly certified by any one of its directors;
- (iii) promptly, such financial or other information relating to the Customer, its subsidiaries and the Security Party as the Bank may require from time to time or required for ESG Due Diligence, in addition to that expressly provided for herein; and
- (iv) promptly, all notices or other documents received by the Customer from any of its shareholders or its creditors which contents may adversely affect the interests of the Bank, and a copy of all documents dispatched by the Customer to its shareholders (or any class of them) in their capacity as shareholders or its creditors generally at the same time as these documents are dispatched to these shareholders or creditors.

(d) Notification of ESG Claim and Disputes

the Customer will, and will cause each of its subsidiaries and the Security Party to immediately, by written notice, inform the Bank of:-

- (i) any dispute or ESG Claim which is current, pending or threatened against the Customer, any of its subsidiaries, the Security Party and/or any of their respective business, operation and/or assets;
- (ii) any labour, human rights or ESG controversy which might adversely affect the business, operations and/or assets of or result in revocation of ESG Permits or operating license, or a strike against, the Customer, any of its subsidiaries and/or the Security Party, as the case may be;
- (iii) any violation or non-compliance of ESG Law or any terms and conditions or requirements contained in any ESG Permits by the Customer, any of its subsidiaries and/or the Security Party, as the case may be; and/or
- (iv) any facts or circumstances which would reasonably be expected to result in the Customer, any of its subsidiaries or any Security Party being in breach of any ESG Law (if to the extent applicable to either of them) or any ESG Claim being initiated, taken or threatened against the Customer, any of its subsidiaries and/or the Security Party;

(e) ESG Policies and Procedures (if required)

the Customer will, and will cause each of its subsidiaries and the Security Party to, obtain, renew, maintain and ensure compliance with the terms and conditions or requirements of all relevant ESG Permits and implement necessary policies and procedures for monitoring the compliance with relevant ESG Permits and ESG Laws;

(f) Consent

the Customer will obtain and promptly renew from time to time, and will promptly deliver to the Bank certified copies of, any authorisation, recording, filing or notarisation as may be necessary or desirable to ensure the validity, enforceability or priority of the liabilities and obligations of the Customer or the rights of the Bank under the Transaction Documents, and the Customer shall comply with the terms and/or conditions of the same;

(g) Default

if the Customer becomes aware of the occurrence of an Event of Default, it will forthwith notify the Bank and provide the Bank with full details of any steps which it is taking, or is considering taking, in order to remedy or mitigate the effect of the Event of Default or the delay or suspension or otherwise in connection therewith;

(h) Takaful

the Customer shall maintain such takaful coverage as reasonably required by the Bank and such additional takaful coverage in respect of its assets and business against all risks (including third party risks and workmen's compensation) which a prudent company carrying on a similar business would normally cover, and all such takaful coverage shall be in amounts, on such terms and/or conditions and/or with certificates and/or takaful operators acceptable to the Bank, and the Customer will not do or omit to do anything or suffer anything to be done which might render any such takaful certificate to be void or avoidable;

(i) Conduct of Business

the Customer will carry out and operate its business and affairs with due diligence and efficiency and in accordance with its Constitution (if the Customer has a Constitution) and sound financial and industrial standards and practices and will keep or cause to be kept all its properties and assets in a good state of repair and condition in accordance with good commercial practice;

(j) Notification of Disputes

the Customer will, by written notice, inform the Bank of:

- i) any legal proceeding, litigation or claim, involving the Customer or any of the Security Party;
- ii) any dispute between the Customer and the government or any statutory body in respect of any of the Customer's assets and/or properties and other assets;
- iii) any labour controversy which might result in a strike against the Customer; and/or
- iv) any matter which has adversely affected or may adversely affect the Customer's ability to fulfil its obligations under the Transaction Documents, its financial position or its ability to pay the Facility;

(k) Payment of Outgoings

the Customer will punctually pay all quit rents, assessments, rates, licence fees, taxes, utility charges, takaful contribution and all other outgoings whatsoever payable from time to time in respect of its business and assets as and when the same shall become due and payable and produce the receipts to the Bank as and when so requested by the Bank;

(l) Valuation of Assets and/or Properties

the Customer will if the Bank shall from time to time, deem necessary for the Bank's commitment under the Facility, have the assets and/or properties valued at the expense of the Customer by a valuer or firm of valuers acceptable to the Bank;

(m) Security Coverage

the Customer shall at all times maintain a security coverage of not less than such number of times of the total amount of moneys owing under the Facilities as may be determined by the Bank from time to time at its discretion, by notice to the Customer;

(n) Notification of Employment

the Customer will, by written notice, inform the Bank forthwith upon it becoming aware of any director or shareholder or any of the director's or shareholder's parents, spouse or children becoming a director, officer employee of the Bank;

(o) Consent of Bank on Investment

the Customer shall:

- (i) inform the Bank in the event of any acquisition of assets of a substantial amount;
- (ii) obtain the Bank's prior consent in respect of any investment to be made by the Customer with the Facility;
- (iii) supply details and all information required by the Bank in relation to any investment to be made by the Customer with the Facility; and
- (iv) obtain the Bank's written consent before selling or purporting to sell any of the properties acquired with the Facility;

(p) Directive

the Customer shall comply with any directive of the Bank which may be issued from time to time in connection with the Transaction Documents or the Facility which the Bank deems necessary to preserve the rights of the Bank under the Facility and/or the Transaction Documents;

(q) Entry

the Customer, upon receipt of not less three (3) calendar days' written notice from the Bank, will permit the Bank and the Bank may enter into and upon any property or premises belonging to or in the control of the Customer and in respect of the same, to inspect all accounts, books, records and statements of the Customer wherever the same may be situate, and the Customer shall pay all costs, fees and other expenses whether legal or otherwise in respect of such inspection;

(r) Access

the Customer shall give to the Bank such written authorities or directions and provide such facility and access as the Bank may require for the aforesaid inspection;

(s) Licences

the Customer will obtain all necessary licences and approvals and comply with all regulations relating to the carrying on of its business;

(t) Terms and Conditions

the Customer shall, and/or shall cause the Security Party to, observe and perform all the terms and conditions contained in the Security Documents and/or in any agreements which may constitute or form the basis of any Security Interest to be provided by the Customer and/or the Security Party to the Bank under the Transaction Documents;

(u) Auditors

the Customer will appoint from time to time such auditor or firm of auditors acceptable to the Bank and authorise such auditor or firm of auditors to supply the Bank with a certified copy of any communication sent by such auditor to the Customer and further to communicate directly with the Bank at any time in respect of any matter connected with the accounts and operations of the Customer;

(v) Annual Return, Return of Allotment of Shares and Register of Beneficial Owners

the Customer will submit to the Bank a certified true copy of the following documents as submitted to the Companies Commission of Malaysia;

- (i) its annual return;
- (ii) its return of allotment of shares; and
- (iii) its register of beneficial owners;

(w) Authorised Signatories

the Customer will forthwith notify the Bank in the event that any of its authorised signatories are no longer authorised to sign any documents or to otherwise act on the Customer's behalf thereunder;

(x) Change in Residential Status

the Customer will promptly notify the Bank in the event of any change in its residential status or tax jurisdiction;

(y) Operation of Accounts

the Customer will ensure that the operation of the current account or any other accounts of the Customer with the Bank is active and satisfactory and that the approved limit of the Facility is observed at all times;

(z) Adverse Changes

the Customer will promptly notify the Bank of any material event or adverse change in the condition (financial or otherwise) of the Customer or any of the Customer's related corporations or of the Security Party, and of any litigation or other proceedings of any nature whatsoever being threatened or initiated against the Customer or any of the Customer's related corporations or the Security Party, before any court, tribunal or administrative agency, which may materially affect the operations or financial condition of the Customer or any of the Customer's related corporations or the Security Party; and the amount of any contingent liability if such amount is ascertainable, and such notification shall be given to the Bank not later than fourteen (14) days after the Customer has knowledge of the change or of the litigation or other proceedings or threat thereof;

(aa) Subordination of Loans/Financing

the Customer will procure and ensure that all present and future loans/financing granted to it by related corporations and/or associated companies or shareholders will be subordinated to the Indebtedness and such loans/financing will not be repaid / paid in full or in part without the prior written consent of the Bank until all moneys owing to the Bank under the Transaction Documents have been paid up in full; and

(bb) Change of Contact Details

the Customer is to notify the Bank promptly of any change of correspondence address, electronic mail (e-mail) address and/or telephone number(s).

7.2 Negative Undertaking

The Customer further agrees and undertakes with the Bank, it will first obtain the prior written consent of the Bank to:

(a) Loans/Financing to others

make any loans/financing to, or provide any guarantee or financial assistance in favour of, any person;

(b) Dividends

declare, make or pay any dividend or other distribution to its shareholders in the event of any outstanding and continuing default as determined by the Bank under the Facilities;

(c) Liability to others

incur any other form of borrowing/financing or indebtedness from other financial institutions or liability or enter into any guarantee in respect of any liability of any person, apart from the Indebtedness arising out of the provisions of the Transaction Documents, unless such liability is a short-term debt owing to a non-financial institution and payable on demand or maturing by its term within twelve (12) months after the date on which it is originally incurred; and regarded by the Customer to be necessary for the normal course and conduct of its operations and the Customer shall have evidenced the necessity thereof to the satisfaction of the Bank;

(d) Alteration to Constitution

alter its Constitution (where the Customer has a Constitution);

(e) Change in Shareholdings and/or Management and/or Auditors

allow any change in its existing shareholders or their shareholdings and/or its directors and/or its management line-up and/or its auditors;

(f) Change of Business, Divestment of Assets, and Mergers

change the nature of its existing business, or sell, transfer or otherwise dispose of, or in any way cease to exercise control over, whether by a single transaction or a number of transactions, related or not, the whole or part (being in the aggregate a substantial part in relation to the Customer) of its undertaking, business or assets, (except by the disposal of assets in the ordinary course of business), or undertake or permit any merger, amalgamation, reconstruction, consolidation or reorganisation;

(g) Share Capital

alter (other than by way of an increase), its issued shares in existence at the date hereof whether by varying the amount, structure or value thereof or the rights attached thereto, or by way of any alteration or variation of its share capital into stock, or by consolidating, dividing or subdividing all or any of its shares;

(h) Restriction on Transactions

enter into any transaction with any person, firm or company except in the ordinary course of business on ordinary commercial terms and on the basis of arm's length arrangements, or establish any exclusive purchasing or sales agency, or enter into any transaction whereby the Customer might pay more than the ordinary commercial price for any purchase or might receive less than the full commercial price for its products; or

(i) Negative pledge

create or permit to exist over all or any part of its business or assets any Security Interest other than those created pursuant to the Transaction Documents or any arising from the following:

(i) liabilities which are subject to liens or rights of set-off arising in the normal course of trading and the aggregate amount of which is not material;

(ii) liabilities which are preferred solely by Malaysian law and not by reason of any Security Interest; and

(iii) any other Security Interest created or outstanding with the prior written consent of the Bank,

provided always that in spite of the above, neither the Customer nor the Security Party shall during the term of the Transaction Documents and the Security Interest, execute or grant any form of encumbrances in respect of any of its assets secured by the Security Documents.

(j) Sanctions

the Customer shall not, and shall not permit or authorize any other person to, directly or indirectly, use, lend, make payments of, contribute or otherwise make available, all or any part of the proceeds of Facility or other transaction(s) contemplated by the Transaction Documents to fund any trade, business or other activities:

(i) involving or for the benefit of any Restricted Party;

(ii) in any other manner that would reasonably be expected to result in the Customer or the Bank being in breach of any Sanctions (if and to the extent applicable to either of them) or becoming a Restricted Party; or

- (iii) deals with prohibited, restricted or controlled and dual goods or services, business, countries, currencies or vessels, without appropriate approvals, permits or consent.

8. CHANGES IN CIRCUMSTANCES

8.1 Illegality

Where the application, introduction, imposition or variation of any law or any change in the interpretation or application of any law makes it unlawful or impractical without breaching such law for the Bank to allow all or part of the Facility to remain outstanding or to fund all or part of a utilisation or disbursement or the Facility or to carry out all or any of its other obligations under the Transaction Documents or to charge or receive profit at the rate applicable, upon the Bank notifying the Customer:

- (a) the Bank's obligation to fund any future utilization or disbursements shall forthwith be suspended and the Facility shall be suspended to such extent; and
- (b) the Customer shall, upon being so notified, pay to the Bank all of the Facility in accordance with Clause 8.3 on such date as the Bank shall certify to be necessary to comply with the relevant law and the Bank's obligation to fund any future Disbursements shall terminate and the Facility shall be cancelled to such extent.

8.2 Increased Costs

Where the Bank determines that, as a result of the application, introduction, imposition or variation of any law or any change in the interpretation or application of any law, or compliance with any request (whether or not having the force of law) from any central bank or other fiscal, monetary or other authority or agency, the cost to the Bank of making or maintaining or funding its participation in the Facility is increased or the amount of any sum received or receivable by it in respect of its granting the Facility or the effective return to it under the Transaction Documents is reduced or it is obliged to make any payment (except in respect of tax on its overall net income) or foregoes any profit or other return on, or calculated by reference to, the amount of any sum received or receivable by it from the Customer under the Transaction Documents, then:

- (a) the Bank may notify the Customer of such event;
- (b) the Customer shall pay to the Bank on such date as the Bank shall specify (including after an early settlement of the Facility), such amounts to compensate the Bank for such increased cost, reduction, payment or foregone profit or return;
- (c) at any time thereafter, so long as the circumstances giving rise to the obligation to make the compensating payment continues:
 - (i) at the Customer's irrevocable election (by giving notice in writing to the Bank), the Bank's obligation to fund any further utilisation or disbursements shall terminate and the Facility shall be cancelled to such extent; and
 - (ii) the Customer may, upon giving the Bank not less than thirty (30) calendar days' prior written notice which shall be irrevocable, early settle all the Facilities in accordance with Clause 8.3.

8.3 Early Settlement in the Event of Changes in Circumstances

Where there is any early settlement of any Facility pursuant to Clauses 8.1 and/or 8.2 above;

- (a) the Customer shall provide the Bank with satisfactory evidence that all authorisations necessary for the early settlement have been unconditionally obtained;
- (b) the amount of the early settlement shall become due on expiry of any period specified in any notice of early settlement to the Bank;
- (c) the Bank's obligations to fund further utilisation or disbursements shall terminate and the Facility shall be cancelled to such extent; and
- (d) on any early settlement of any Facility, the Customer shall pay to the Bank any accrued profit on the Facility together with all other amounts due to the Bank.

9. PAYMENT OF FACILITY

9.1 Payments by the Customer

Any payments to be made by the Customer pursuant to the Transaction Documents shall be made in immediately available funds in Ringgit Malaysia (or in the case of foreign currency facilities taken by the Customer, in the relevant currency of the Facility) on the date the same shall become due and payable unless the day on which such payment would otherwise be due is not a Business Day, in which case it shall be due on the next succeeding Business Day. All payments by the Customer whether in respect of principal, profit, fees or any other item shall be made in full, without any deduction or withholding (whether in respect of set-off, counterclaim, duties, taxes, charges, or otherwise whatsoever) unless the Customer is compelled by law to do so, in which event the Customer shall forthwith pay to the Bank such additional amount so that the net amount receivable by the Bank will equal the full amount which would have been received by the Bank had no such deduction or withholding been made.

9.2 Payment in Gross

All monies received by the Bank from any person or estate capable of being applied in reduction of the Indebtedness shall be regarded for all purposes as payment in gross, and if a receiving order shall be made against any person liable to the Bank or any order be made or any effective resolution be passed for the winding up of any company liable to the Bank, the Bank may prove for the whole of the monies then owing, and no money received under such proof shall be considered as having been received and the full amount owing shall remain payable, until the Bank has received from all sources One Hundred Sen in the Ringgit Malaysia (or in the case of foreign currency facilities taken by the Customer, the relevant foreign currency equivalent).

9.3 Date of Payment

If any payment would otherwise be due on a day which is not a Business Day, it shall be due on the next succeeding Business Day or, if that Business Day falls in the following month, on the preceding Business Day.

9.4 Other Terms for Prepayment

Notwithstanding anything stated herein, the Customer may prepay any Facility based on the terms and conditions contained in the Letter of Offer and subject to reasonable terms and/or conditions as the Bank may impose from time to time.

10. DEFAULT

10.1 Events of Default

If any of the following events shall occur:

(a) Non-payment

the Customer fails to pay the whole or any part of the Indebtedness on the due date or upon demand from the Bank;

(b) Breach of obligations

the Customer or any of the Security Party breaches any of the terms and/or conditions in the Transaction Documents, and/or fails to observe or perform any of their respective obligations under the Transaction Documents or under any other undertaking or arrangement entered into in connection herewith or therewith; or

(c) Misrepresentation

any representation, warranty, declaration or statement which is made (or acknowledged to have been made) by the Customer or any of its shareholders in the Transaction Documents to which it is a party or which is contained in any certificate, statement, legal opinion or notice provided under or in connection herewith or therewith, proves to be incorrect in any material respect, or if repeated at any time with reference to the facts and circumstances subsisting at such time, would not be accurate in all material respects; or

(d) Invalidity

any provision of the Transaction Documents, is or becomes, for any reason, illegal, invalid or unenforceable in any way, and/or if any Security Documents are not perfected, becomes imperfect in any way, and/or if the Bank cannot recover from any Security Documents, and/or if the Bank is of the opinion that any of the Security Interest created pursuant to the Security Documents is in jeopardy; or

(e) Disposal of Assets

the Customer transfers or disposes of, or threatens to transfer or dispose of, a substantial part of its business or assets and the result of any of the foregoing may, in the opinion of the Bank adversely affect the Customer's financial condition or its ability to observe or perform its obligations under the Transaction Documents to which it is a party; or

(f) Cessation of Business

the Customer or any of the Security Party, change or threaten to change the nature or scope of their business, cease or threaten to cease to carry on their business, or any governmental authority expropriates or threatens to expropriate all or part of their assets, and the result of any of foregoing may, in the opinion of the Bank adversely affect their financial condition or their ability to observe or perform their obligations under the Transaction Documents to which they are a party; or

(g) Cross-Default

any Indebtedness of the Customer and/or indebtedness of the Customer's related corporations and/or associated companies and/or any of the Security Party (collectively, "**the Obligors**") to the Bank or any third party from time to time or at any time becomes due or if any of the Obligors may be or become liable to the Bank or any third party anywhere on any banking, loan/financing, any other credit facilities or any other account current or otherwise ("**the account(s)**") or in any other manner whatsoever including but not limited to liability of any of the Obligors as sureties or guarantors or if default is made in relation to any provisions of the account(s); or

(h) Appointment of Receiver, Legal Process

an encumbrancer takes possession of, or any nominee trustee, supervisor, judicial manager, manager, administrator, receiver, receiver and manager, liquidator, or other similar officer is appointed in respect of, all or any part of the business or assets of the Customer or any of the Security Party, or distress or any form of execution is levied or enforced upon or sued out against any such business or assets and is not discharged within seven (7) days after being levied, enforced or sued out, or any Security Interest which may for the time being affect any of such business or assets becomes enforceable; or

(i) Insolvency

the Customer is deemed unable to pay its debts within the meaning of Section 466 of the Companies Act, or becomes unable to pay its debts as they fall due; or

(j) Suspension of Payments

the Customer or any of the Security Party suspends or threatens to suspend making payments (whether of principal or profit) with respect to all or any class of their debts and the result of any of the foregoing may, in the opinion of the Bank (which opinion shall be final and conclusive), adversely affect their financial condition or their ability to observe or perform their respective obligations under the Transaction Documents; or

(k) Composition, Winding-Up, Bankruptcy

the Customer and/or any Security Party convenes a meeting of its creditors, or proposes or makes any corporate, voluntary arrangement, judicial management, scheme of compromise, arrangement, reorganisation, reconstruction, amalgamation, assignment or composition, for the benefit of its creditors, and/or if a meeting is convened for the purpose of considering a resolution, or a petition is presented or any other steps are taken, for making an administration order against or for insolvency, winding up or liquidation of the Customer and/or any of its corporate shareholders and/or any Security Party, and/or if there is any petition presented or any order made, for the bankruptcy of the Customer and/or any of the Customer's directors and/or any Security Party; or

(l) Analogous Proceedings

anything analogous to any of the events specified in this Clause 10.1 occurs under the laws of any applicable jurisdiction; or

(m) Legal Proceedings

any legal proceedings, suit or action shall be instituted against the Customer or any of the Security Party, and the Bank is of the opinion that this will adversely affect the Customer's or such Security Party's ability to observe or perform their respective obligations under the Transaction Documents; or

(n) Judgement Outstanding

the Customer or any of the Security Party shall fail to satisfy any judgement passed against the Customer or such Security Party by any court of competent jurisdiction and no appeal against such judgement has been made to any appropriate appellate Court within the time prescribed by law or such appeal has been dismissed and in the case of any judgement obtained in default of appearance no application has been made to set such judgement aside within one (1) month of the Customer or such Security Party (as the case may be) becoming aware of the judgement; or

(o) Change in Law

any law is brought into effect which purports to render ineffective or invalid any provision of the Transaction Documents or which would prevent the Customer or any of the Security Party from performing any of their respective obligations hereunder or thereunder; or

(p) Damage to Assets and/or Properties

any part of the assets and/or properties or any structures thereon is damaged or destroyed and the result, whether by reason of the takaful over the assets and/or properties or structure proving to be invalid or unenforceable or for any other reason is, in the determination of the Bank adversely to affect the financial condition of the Customer or the Customer's ability to observe or perform its obligations under the Transaction Documents; or

(q) Abandonment of Construction Project

where there is any housing development construction project, and/or any construction of any property and/or building, and/or any other form of construction project, and the Facility are financing such construction project, there is any suspension or abandonment of such construction project; or

(r) Satisfactory Conduct of Business and Accounts

if in the opinion of the Bank (which opinion shall be final and conclusive), the business and/or affairs of the Customer are not carried out or conducted satisfactorily in accordance with sound financial and/or business standards and/or practices, and/or if any of the Customer's accounts with the Bank are not operated satisfactorily; or

(s) License

any license, authorisation, approval, consent, order, exemption, registration, filing or notarisation referred to herein is revoked or withheld or modified is or is otherwise not granted or fails to remain in full force and effect; or

(t) Nationalisation

all or a material part of the property or assets of the Customer shall be condemned, seized or otherwise appropriated or nationalised, or custody or control of such property or assets shall be assumed and retained by any person acting or purporting to act under the authority of the Government, or the Customer shall have been prevented from exercising normal managerial control over all or any substantial part of its or their property or assets; or

(u) Moratorium

the Customer or the Security Party enters into or proposes to enter into or there is declared by any competent court or authority, a moratorium on the payment of indebtedness or other suspension of payments generally; or

(v) Adverse Events

any event or events has or have occurred or a situation exists which could or might, in the opinion of the Bank prejudice the ability of the Customer or any of the Security Party to perform any of their respective obligations under the Transaction Documents and/or under any other undertaking or arrangement entered into in connection herewith or therewith in accordance with the terms and/or conditions hereof or thereof; or

(w) Breach of Applicable Laws

in the event of a breach or contravention of any Applicable Laws by the Customer or any of the Security Party; or

(x) Repudiation

the Customer or the Security Party repudiates any of the Transaction Documents or does or causes to be done or omits to do any act or thing evidencing an intention to repudiate any of the Transaction Documents; or

(y) Takeover of Financial Management

any creditor of the Customer or its subsidiaries or the Security Party exercises a contractual right to take over any of its financial management; or

(z) Breach under other Contracts

there has been a breach by the Customer or any of its subsidiaries or the Security Party of any obligation under any of its contractual obligations; or

(aa) Intended Purpose

the Facility or any part thereof are not utilised for its intended purpose; or

(bb) Security

the Bank determines that any Security Interest provided by the Customer or the Security Party is different from that which was agreed to be provided; or

(cc) Criminal Investigations

the Customer or the Security Party or its respective shareholders or directors are subject to any investigation, actions or proceedings (whether civil, criminal, administrative or otherwise) by any regulatory, statutory or enforcement authorities, bodies or agencies; or

(dd) Sanctions

the Customer or the Security Party permits or authorises any other person to, directly or indirectly, use, lend, make payments of, contribute or otherwise make available, all or any part of the proceeds of any Facility to fund any trade, business or other activities:

- (i) involving or for the benefit of any Restricted Party, or
- (ii) in any other manner that would reasonably be expected to result in the Customer or the Security Party being in breach of any Sanctions (if to the extent applicable to either of them) or becoming a Restricted Party; or

(ee) Suspension of Trading of Pledged Securities

any securities listed and publicly quoted on the Bursa Malaysia Securities Berhad or any other stock exchange which are the subject of a Security Document or secure the Facility, have been suspended from trading by the respective stock exchange whether or not at the request of the company and the period of such suspension has exceeded fourteen (14) consecutive days; or

(ff) Death/Unsound Mind

the Customer or a Security Party dies or suffers any form of incapacity or is of unsound mind which would or could, in the opinion of the Bank affect the Customer's or the Security Party's (where applicable) ability to perform his obligations under the Transaction Documents; or

(gg) Discontinuance of Obligations

any Security Party withdraws from any security under the Security Documents or gives notice to the Bank of discontinuance of its obligations and liabilities under the security as to future transaction; or

(hh) Market adverse conditions

there shall have occurred, happened or come into effect, any circumstance which, in the opinion of the Bank would be likely to have a material adverse effect on the condition (financial or otherwise), prospects, results of operations, properties or assets of the Customer, or be commercially impracticable for the Bank to provide or continue providing the Facility on the terms and in the manner stated in the Transaction Documents,

then, at once or at any time thereafter the Bank:

- i) may declare the Facility and any other amounts owing under the Transaction Documents to be immediately due and payable together with accrued profit thereon;
- ii) the Bank may not to allow any further utilization or disbursements and/or any form of drawdown of the Facility, and/or to treat the Facility as cancelled; and/or
- iii) the Bank may but is not obligated to enforce the security created in favour of the Bank, and to exercise all its rights under the Transaction Documents.

11. BANK'S RIGHTS

11.1 Bank's Right to Exercise Remedies Concurrently

The Bank is entitled to exercise any rights, powers, discretions and remedies concurrently, including pursuing all remedies of sale or realisation of security pursuant to the Transaction Documents, and civil suit to recover the Indebtedness due and owing to the Bank.

11.2 Application of Proceeds

All moneys received from the Customer, Security Party or from the enforcement of any Security Interest, be applied as follows:

- First, in or towards the payment of all costs expended or incurred by the Bank in the enforcement of the Transaction Documents or any part thereof (including court costs and solicitors' fees);
- Second, in or towards the payment of all amounts payable under the Transaction Documents other than principal and profit;
- Third, in or towards the payment in full of the aggregate accrued but unpaid profit pursuant to the Transaction Documents;
- Fourth, in or towards the payment of the principal amount outstanding to the Bank; and
- Fifth, the balance to the Customer or to such other persons as may be lawfully entitled thereto,

PROVIDED ALWAYS THAT if the Bank shall be of the opinion that the moneys received may prove deficient, payments may be made to the Bank on account of principal before profit but such alteration in the order of payment shall not prejudice the right of the Bank to receive the full amount to which it would have been entitled if the primary order had been observed, or any lesser amount which the sum ultimately received from the security may be sufficient to pay.

11.3 Payment of Short Fall

If the amount realised by the Bank in any sale of the properties and assets secured under the Security Documents, after the deduction and payment from the proceeds of such sale of all fees, dues, costs, rates taxes and other sale is less than the Indebtedness, whether at such sale the Bank is the purchaser or otherwise, the Customer shall pay to the Bank the difference between the Indebtedness due and the amount so realised and until payment will also pay Claims and Ta'widh (Compensation) as stated in the Letter of Offer (as well after as before judgement).

11.4 Legal Proceedings

It is hereby declared and agreed that if the Bank takes legal action to recover any Indebtedness due to it from the Customer or to enforce any term or condition of the Transaction Documents, then the Bank shall have the right:

- (a) to claim for the amount outstanding and the profit and other moneys due from the Customer in the same or separate proceedings; and
- (b) to proceed simultaneously in the same or separate proceedings against the Customer and any of the Security Party and all other parties liable to satisfy the Indebtedness to the Bank and to claim and execute judgement for moneys due to the Bank.

11.5 Opinion of the Bank

Despite anything herein contained, any right, entitlement, discretion, or power which may be exercised by the Bank under the Transaction Documents or any opinion of the Bank as to the determination of any of the matters set out in the Transaction Documents may be exercised or made by the Bank for the purpose of facilitating its business, operations, services and/ or such other things as the Bank may reasonably determine. A written statement of the Bank as to the Indebtedness due and owing to the Bank at any time and all other matters referred to in the Transaction Documents, shall in the absence of manifest error be conclusive and binding on the Customer.

Any determination or notification by the Bank concerning any Indebtedness, in the absence of manifest error, shall be conclusive evidence as to the matter and shall be binding on the Customer.

11.6 Bank May Open New Account

It is hereby agreed that if the Customer shall execute or create any further or subsequently charge, mortgage or encumbrance over any of its assets or properties which are subject to the Security Documents or any part thereof in favour of any other corporation or person, or in the event the Bank restructures and/or varies the Facility, the Bank may but shall not be obliged to open a new or separate account with the Customer, and the Bank may but is not obliged to place to the credit of the new or separate account so opened, any payments made by the Customer to the Bank. PROVIDED ALWAYS that nothing in this Clause shall prejudice the security which the Bank otherwise would have had hereunder or under the Security Documents for the payment of the monies costs charges and expenses therein the Transaction Documents referred to in spite of the fact that the same may become due or owing or be incurred after the

time of notice.

11.7 Suspense Account

Any money received hereunder or pursuant to the Security Documents may be placed or kept to the credit of a suspense account for such a period as the Bank shall deem fit pending the determination by the Bank as to how the monies are to be applied towards the discharge of any money or liabilities due hereunder or pursuant to the Security Documents. Despite any such payment, in the event of any proceedings in or analogous to bankruptcy, liquidation, insolvency, winding up, composition or arrangement, the Bank may prove for and agree to accept any dividend or composition in respect of the whole or any part of such money and liabilities in the same manner as if the Security Interest under the Security Documents have not been created.

11.8. Modification and Indulgence

The Bank may by giving not less than twenty-one (21) calendar days' prior written notice to the Customer and without in any way affecting the obligations of the Customer herein and under the Security Documents:

- (a) review the Facility or hereby granted and determine, vary, reduce and/or increase the amount of the Facility and/or any other credit or financing facility granted to the Customer and may open and/or continue any accounts current or otherwise with the Customer at any branch or branches of the Bank at such times as the Bank shall in its discretion determine;
- (b) vary the terms and/or conditions in any of the Transaction Documents, and/or the terms and/or conditions of any other credit or financing facility granted to the Customer, in such manner and at such times as the Bank shall in its discretion determine; and/or
- (c) modify or restructure or alter the nature of the Facility herein granted in such manner and at such times as the Bank shall in its discretion determine.

11.9 All Payments Received to be Payments in Gross

All moneys received from or on account of the Customer or from any other person (including but not limited to any surety) or from the realisation of the Security Documents or any Security Interest or otherwise for the purpose of being applied in the reduction of the account of the Customer or of the moneys agreed to be paid under the Transaction Documents shall be treated for all purposes as payments in gross and not as appropriated or attributable to any specific part or item of the said moneys agreed to be paid to the Bank. All Security Interest now or at any time held by the Bank shall be treated as security for the said general balance. The Customer or any other person or persons claiming under the Customer shall have no claim to such Security Interest or to any part thereof or any profit therein unless and until the Bank has received the full amount owing to the Bank by the Customer.

11.10 Rights Cumulative, Waivers

The Bank may exercise its rights under the Transaction Documents as often as the Bank considers appropriate, and are in addition to the Bank's rights under any Applicable law. The rights of the Bank in relation to the Facility arising under the Transaction Documents or under any applicable law shall not be capable of being waived or varied otherwise than by an express waiver or variation in writing from the Bank; and in particular, any failure to exercise or any delay in exercising any of such rights shall not operate as a waiver or variation of that or any other such right; any defective or partial exercise of any such rights shall not preclude any other or further exercise of that or any other such right; and no act or course of conduct or negotiation on the Bank's part or on its behalf shall in any way preclude it from exercising any such right or constitute a suspension or variation of any such right.

11.11 Right To Outsource Debt Collection and Visit

The Bank may appoint and authorise an agent ("Debt Collector") to collect all and any of the Indebtedness due to the Bank from the Customer. Such appointment and authorisation must be made known to the Customer at least seven (7) days in advance if the collection of the Indebtedness due for the account is to be outsourced to the Bank's Debt Collector. The Bank will inform the Customer the impact on the Customer's rights and obligations after the account has been transferred to a third party debt collection agency or sold to a third party. Under specific circumstances, the Bank or its Debt Collector may visit the Customer at his workplace if the Customer has failed to respond to other means of communication by the Bank, or the Customer (who is an individual) is not contactable at his/her place of residence or the Bank and the Debt Collector do not have the Customer's latest residential address, or the Customer has specifically requested or agreed to the visit either orally or in writing. The Bank is considered to have fulfilled the obligation if such notice has been sent to the Customer's last known address of the Customer at least seven (7) days' in advance. The Bank shall provide the Customer with the name and contact details of the appointed Debt Collector to whom the Bank has outsourced the collection of all and any sums due to the Bank from the Customer.

12. INDEMNITY

12.1 General Indemnity

The Customer shall fully indemnify the Bank from and against any cost and expense, loss, taxes, damage or liability (as to the amount of which the certificate of the Bank shall, in the absence of manifest error, be conclusive) which the Bank incurs in respect of and in connection of this Facility, the Transaction Documents or any failure to utilise the Facility in accordance with a notice of utilisation or disbursement or any Indebtedness due or to become due including any utilisation or disbursement of the Facility by third parties.

12.2 Currency Indemnity

Unless otherwise specifically agreed in writing by the Bank in relation to the Facilities:

- a) the obligation of the Customer shall be to pay the obligations or liabilities in the same currency in which the said obligations or liabilities are incurred ("**Currency of Account**"); and
- b) any amount received or recovered by the Bank in respect of any sums expressed to be due to it from the Customer under the Transaction Documents in a currency ("**Relevant Currency**") other than the Currency of Account (whether as a result of, or arising from the enforcement of, a judgement or order of court of any jurisdiction or the death or bankruptcy of the Customer or otherwise) shall only constitute a discharge to the Customer to the extent of the amount in the Currency of Account which the Bank is able, in accordance with its usual practice, to purchase with the Relevant Currency so received or recovered on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that amount in the Currency of Account purchased with the Relevant Currency is less than the amount of the Currency of Account expressed to be due to the Bank under the Transaction Documents, the Customer shall indemnify the Bank against any loss sustained by it as a result thereof. In any event, the Customer shall indemnify the Bank against the cost of making such purchase.

13. FEES, COSTS AND EXPENSES

13.1 Expenses

The Customer shall on demand by the Bank pay to the Bank, in each case on the basis of full indemnity:

- a) all costs and expenses (including legal, printing and out-of-pocket expenses) incurred in connection with the negotiation, preparation, completion or perfection of the Transaction Documents and any related documents or the discharge of any Security Interest created in the Bank's favour under the Transaction Documents or any related documents; and

- b) all costs and expenses (including legal and out-of-pocket expenses) incurred in connection with any variation, consent or approval relating to the Transaction Documents or any related documents, or in connection with defending claims made by any person against either the Bank or any asset provided as Security Interest to the Bank or the preservation or enforcement or the attempted preservation or enforcement of any of the Bank's rights under the Transaction Documents, the Security Documents or any related documents.

13.2 Stamp Duty

The Customer shall pay all stamp, documentary and other duties to which the Transaction Documents may be subject or give rise, and shall fully indemnify the Bank from and against any losses or liabilities which the Bank may incur as a result of any delay or omission by the Customer to pay any such duties or taxes.

13.3 Tax

The Customer shall pay and be responsible for any tax including sales and services tax payable in connection with or arising out of the Transaction Documents or the Facility or any services in connection therewith. The Customer shall indemnify and keep the Bank indemnified in respect of the payment of such sales and services tax.

14. ACCOUNT

14.1 Facility Account

The Bank may designate a facility account for each respective Facilities and the said facility account shall evidence the Indebtedness due to the Bank from time to time.

14.2 Lien, Right to Debit and/or to Set Off from Account

The Customer acknowledges that the Bank shall have a lien and/or right of set off over any assets movable or immovable of the Customer now or hereafter in the possession or control of the Bank, branches or offices, and the Bank upon giving the Customer not less than seven (7) days' prior written notice, may at its discretion to debit and/or to set off from, any account or accounts which the Customer maintains with the Bank, in order to effect payment of any Indebtedness, including but not limited to any duties, taxes, costs and expenses, quit rent, assessment, takaful contribution, fee, commission, legal costs (both party and party costs and solicitor and client costs) and all other charges due and payable hereunder or under the Security Documents.

14.3 Evidence of Indebtedness

In any proceeding relating to the Indebtedness, a statement as to the amount due to the Bank which is certified as being correct by an officer of the Bank, shall (in the absence of manifest error), be conclusive evidence that such amount is in fact due and payable.

15. OTHER MATTERS

15.1 Notice

Any notice required to be issued shall be in writing and shall be deemed to have been sufficiently served on the Customer if it notified via the Bank's website, displayed on the Bank's premises, is left at the usual or last known address of the Customer in accordance with the records kept by the Bank, or at the address above stated of the Customer, or sent by ordinary mail to any of such addresses or facsimile or sent by email or other electronic or internet communication including short messaging service (SMS) or such other means as the Bank may determine from time to time. Proof of posting or despatch of any notice or communication to the Customer shall be deemed to be proof of receipt by the Customer:

- a) if it is personally delivered, at the time of delivery;
- b) in the case of ordinary post, seven (7) days after date of posting (save where such notice or communication is return undelivered to the Bank);
- c) if displayed at the Bank's premises and/ or Bank's website, and deemed effective upon such display being made;
- d) in the case of an email or other forms of electronic or internet communication (including short messaging system (SMS) and voice recording, at the time they are sent; or
- e) in the case of facsimile, on the Business Day immediately after transmission, provided that the sender has received an answer back confirmation.

No change in the address for service of the Customer howsoever brought about shall be effective or binding on the Bank unless actual notice in writing of such change has been received by the Bank.

15.2 Consolidation

The Bank upon giving not less than seven (7) days' prior written notice to the Customer may withhold, combine, consolidate and/or merge any or all accounts of the Customer and the Obligors, with any of the Customer's and/or Obligors' liabilities to the Bank, with such right to be exercised at the Bank's discretion and it is hereby expressly agreed and declared that unless the Bank otherwise agrees the obligations of the Customer under the Transaction Documents shall not be satisfied except on payment by the Customer of not only the Facility outstanding amounts but also all monies secured and/or all monies secured by any other Security Interest created by the Customer and/or the Security Party in favour of or vested in the Bank.

15.3 Reconstruction

The Security Interest, liabilities and obligations created by the Transaction Documents shall continue to be valid and binding for all purposes whatsoever in spite of change by amalgamation, reconstruction, consolidation, merger or otherwise, which may be made under the constitution or Section 370 of the Companies Act or any corresponding provisions of the laws which the Bank or the Customer or the Security Party is/are subject to and it is expressly declared that no change whatsoever in relation to or affecting the Bank or the Customer or the Security Party, shall in any way affect the Security Interest, liabilities and obligations created hereunder in relation to any transaction whatsoever whether past present or future.

15.4 Disclosure of Information

- (a) The Customer hereby agrees that the Bank is permitted to disclose any information relating to the Facility, the Security Documents and/or the Customer's affairs or accounts ("**Disclosure**"), to such persons under Schedule 11 of the Islamic Financial Services Act 2013 of Malaysia including:
 - (i) BNM or other regulatory authorities or enforcement authority or body (governmental or otherwise) under any Applicable Laws in or outside Malaysia;
 - (ii) pursuant to any subpoena or request or order of the courts; and
 - (iii) where disclosure is required or permitted by Applicable Laws.

(b) The Customer also agrees, consents to and authorizes the Bank for the Disclosure to:

- (i) any of the Bank's agents, service providers, auditors, legal counsel and/or professional advisors, in or outside Malaysia for facilitating and/or protecting the business, operations, facilities and services provided by the Bank and CIMB Group (as defined below);
 - (ii) any entity within the corporate group of CIMB Group Holdings Berhad, the Bank's ultimate holding company ("CIMB Group") whether such CIMB Group are residing, situated, carrying on business, incorporated or constituted within or outside Malaysia for facilitating the business, operations, provision of the Facility and/or other related services, and performance of the contract by the Bank and CIMB Group;
 - (iii) any tribunal, courts, governmental agencies or bodies or other relevant authorities to whom the Bank is required to make disclosures or have jurisdiction over the Bank whether in or outside Malaysia in order to comply with any order, demand, request or reporting requirement, or for the purposes of potential litigation or litigation involving the Bank as and when required or requested to do so from time to time and at any time;
 - (iv) any financial institution, company and/or organisation that assist or facilitate the processing and/or fulfillment of transactions or instructions that the Customer has requested and/or given to the Bank;
 - (v) the Security Party, Syarikat Jaminan Pembiayaan Perniagaan Berhad (Registration No. 200901008332 (851317-W)), Credit Guarantee Corporation Malaysia Berhad (Registration No. 97201000831 (12441-M)) and/or any counterparty to any agreements and/or transactions which may constitute or form the basis of any Security Interest to be provided by the Customer and/or the Security Party to the Bank to secure the Facility;
 - (vi) any potential transferee or assignee with whom the Bank is negotiating the transfer, assignment and novation of the rights or obligations under or by reference to the Facility;
 - (vii) the Bank's takaful operators or takaful consultants which is required for the maintenance of the Facility and any of the Transaction Documents; and
 - (viii) agencies including credit reference reporting agencies or governmental agencies or financial institutions for the purpose of conducting searches or credit reference checks on the Customer or any of its directors, shareholders, officers or any other person, individual or entity related to and or associated with the Customer.
- (c) The Customer agrees that such consent given above cannot be withdrawn where such Disclosure is necessary for the provision of the Facility or the Bank's performance of the contract with the Customer or the Bank's compliance with any contractual or legal requirement.
- (d) The Customer acknowledges that the Disclosure by the Bank to CIMB Group may also be for cross selling purposes provided always that **Disclosure for cross selling purposes shall not be effected if such Disclosure is objected by the Customer**.

15.5 Cancellations and Demands

Despite any other provision of these Terms relating to the availability of the Facilities or any part of them, the Bank may at its discretion:

- (a) cancel any Facility; and/or
- (b) demand payment of any Indebtedness;

in each case by the Bank giving the Customer written notice of the cancellation or demand, whereupon the Facility shall be cancelled and the Indebtedness shall be payable on the date specified in the notice.

15.6 English Language

All notices or communications under or in connection with the Transaction Documents shall be in the English language or in any other language. In the event of any conflict between the English text and the text in any other language, the English text shall prevail.

15.7 Variation of the Transaction Documents

Unless otherwise required by the Applicable Laws, the terms and/or conditions in the Transaction Documents may from time to time be varied or amended by notice of not less than twenty- one (21) days'.

15.8 Appropriation

All and any monies received by the Bank towards payment or early settlement shall be applied by the Bank in accordance with the terms of the Transaction Documents.

15.9 No Liability

The Bank shall only be liable for direct losses or damages if such losses or damages are caused directly by the Bank's fraud, gross negligence or willful breach of its obligations under the Transaction Documents.

Notwithstanding anything to the contrary, the Bank and/or any of its officers and employees shall not be liable for any indirect, incidental, consequential and/or secondary loss or damage, including any loss of profits or income, savings, opportunity loss, expectation loss, reliance loss or pure economic loss and any exemplary or punitive damages which may be suffered or incurred by the Customer or any third party directly or indirectly, even if the Bank has been notified of the possible damages or any claim against the Customer or the third party.

15.10 Transfer Benefit

The Bank may transfer and/or assign the rights, benefits, interest and/or obligations under the Transaction Documents to any person by notice to the Customer and/ or the Security Party, and:

- (a) the Customer shall execute such documents as are necessary to give effect to the transfer and/or assignment; and
- (b) all costs and/or expenses relating to this transfer and/or assignment shall be paid by the Customer,

The Customer may not transfer and/or assign the rights, benefit, obligations and/or interest of the Transaction Documents unless with the written consent of the Bank.

15.11 Compliance with Legal Requirements and Sanctions

The Customer will, and will cause each Security Party and each of its subsidiaries to, at all times promptly comply with Legal Requirements and Sanctions and shall immediately notify the Bank in writing if any of the Legal Requirements and Sanctions or any of the terms and conditions of the Transaction Documents ceases to be satisfied or is discovered to have not been satisfied.

15.12 Law and Jurisdiction

The Customer agree that the Transaction Documents shall be governed by the laws of Malaysia and agree to submit to the exclusive jurisdiction of the Courts of Malaysia.

15.13 Regulatory Compliance

The availability or continued availability of the Facility shall be subject to any rules, regulations, guidelines and/or any other form of directives from, BNM, Exim Bank, Association of Islamic Banks in Malaysia, Labuan FSA and/or any other regulatory bodies having authority over the Bank. The Bank may vary the Transaction Documents to give effect to any such rules, regulations, guidelines and/or any other form of directives.

15.14 Severability of Provisions

If at any time any provision herein becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent necessary without affecting or impairing the validity, legality and/or enforceability of the remaining provisions herein or such provision in any other jurisdiction.

15.15 Time

Time wherever stated in the Transaction Documents shall be of the essence.

15.16 Credit Reporting Agencies Act 2010

Pursuant to the Credit Reporting Agencies Act 2010 of Malaysia (“**CRA Act**”), the Customer, hereby gives its consent to the Bank and any registered reporting agency under the CRA Act appointed by the Bank, to process its company and personal data. By this consent, the Customer understands and agrees that:

- (a) the Bank may conduct credit checks on the Customer, a Security Party and where applicable, its director(s) and shareholder(s) (collectively the “**Parties**”), at any time for as long as the Customer has a banking relationship with the Bank or where any Facilities or Indebtedness remain outstanding with the Bank, for any one or more of the following purposes:
 - i. opening of an account;
 - ii. credit/account monitoring, review or evaluation;
 - iii. debt recovery; and
 - iv. documentation consequent to any facility granted by the Bank;
- (b) the Bank may disclose any information on the Parties’ conduct of their accounts with the Bank, to any person for bona fide credit review at any time. The Customer is aware and understands and shall procure that the Parties are also made aware and understand that such information will be provided to a credit reporting agency, who may in turn share such information to subscribers of their service;
- (c) where the Bank require any processing of the Customer’s application to be processed by any processing centre located outside Malaysia, the Customer consents and shall procure the Parties to also consent to the Bank and the credit reporting agency to disclose their credit reports to such locations outside Malaysia; and
- (d) apart from the above, the Customer consents and shall procure the Parties to also consent to the Bank and the credit reporting agency to process their personal data as per the Personal Data Protection Act 2010 of Malaysia.

15.17 Force Majeure

The Bank shall not be responsible to the Customer for any failure in the performance of any of its obligations or in respect of or arising from the Facilities or any claim in respect to any loss, damages or injury to earnings or profit or goodwill or business caused directly or indirectly or any other fault if such failure, loss, damage or other fault is caused by circumstances beyond the reasonable control of the Bank, including but not limited to any fire, earthquake, flood, epidemic, pandemic, accident, explosion, casualty, lock- out, riot, civil disturbance, act of public enemy, natural catastrophe, embargo, war, act of God and/ or any mechanical, mechanical, electronic or communications failure.

16. UPSTAMPING

Where the Bank has agreed to provide any additional advance or credit under any of the Facility to the Customer such that the principal secured by the Transaction Documents shall exceed the Facility amount, the Transaction Documents shall for the purpose of stamp duty be deemed to be a new and separate instrument bearing date on the day on which such advance or credit is made to the extent that such additional advance or credit is in excess of the principal sum stated and the Customer shall bear the cost of any additional stamp duty as a result.

17. PRIVACY CLAUSE

17.1 The Customer:

- (a) confirms that it has duly obtained the consent of its directors, shareholders, individual guarantors, security party and relevant officers (“**the Relevant Individuals**”) and has notified the Relevant Individuals:
 - (i) for the Customer to provide their personal data to the Bank for processing pursuant to the Personal Data Protection Act 2010 of Malaysia;
 - (ii) that reference checks including but not limited to credit reference/reporting checks (“**Reference Checks**”) may be conducted by the Bank on the Relevant Individuals;
 - (iii) of the disclosure of the Relevant Individuals’ personal data to the classes of parties described in the CIMB Group Privacy Notice (which is available at www.cimb.com.my);
- (b) undertakes to update the Bank in writing should there be any changes to the personal data of any of the Relevant Individuals and any revocation of such consent;
- (c) agrees that the Bank may review or terminate any banking, financing or credit facilities granted or to be granted to the Customer should the said consent be revoked by any of the Relevant Individuals;
- (d) gives consents to the Bank to carry out Reference Checks on the Customer; and
- (e) consent to the disclosure by the Bank of the personal data of the Relevant Individuals the results of the Reference Checks to third parties (including financial institutions and regulatory authorities within or outside Malaysia) on a need to know basis in respect of the granting of the banking, financing or credit facilities to the Customer.

17.2 Where the Customer are individuals (including but not limited to sole proprietors, partnerships, registered businesses and associations, this Clause 17.2 shall apply:-

- (a) The Customer hereby confirms that the Customer has read, understood and agreed to be bound by the CIMB Group Privacy Notice (which is available at www.cimbbank.com.my and www.cimbislamic.com) and the clauses herein, as may relate to the processing of the Customer's personal information. For the avoidance of doubt, the Customer agrees that the said Privacy Notice shall be deemed to be incorporated by reference into these Terms.
 - (b) In the event the Customer provides personal and financial information relating to third parties, including information relating to the Customer's next-of-kin and dependents (where the Customer is an individual) or information relating to its directors, shareholders, officers, individual guarantors and security providers (where the Customer is a corporation), for the purpose of opening or operating the Customer's account(s)/Facility with the Bank or otherwise subscribing to the Bank products and services, the Customer:
 - (i) confirms that the Customer has obtained their consent or is otherwise entitled to provide this information to the Bank and for the Bank to use it in accordance with these Terms;
 - (ii) agrees to ensure that the personal and financial information of the said third parties is accurate;
 - (iii) agrees to update the Bank in writing in the event of any material change to the said personal and financial information; and
 - (iv) agrees to the Bank's right to terminate this Facility should such consent be withdrawn by any of the said third parties.
 - (c) Where the Customer instructs the Bank to effect any sort of cross-border transaction (including to make or receive payments), the details relevant to the cross-border transaction (including information relating to those involved in the said transaction) may be received from or sent abroad, where it could be accessible (whether directly or indirectly) by overseas regulators and authorities in connection with their legitimate duties (e.g. the prevention of crime). In instructing the Bank and/or the Bank's agents to enter into any cross-border transaction on behalf of the Customer, the Customer agrees to the above said disclosures on behalf of the Customer and others involved in the said cross-border transaction.
 - (d) The Bank may carry out the necessary reference checks including credit reporting/reference checks with credit reporting/reference agencies, including but not limited to CCRIS, FIS and/or any other agencies and/or from any financial institution to enable the Bank to ascertain the Customer's status as may be required to help make decisions, for example when the Bank need to (a) check details on applications for credit and credit-related or other facility; (b) manage credit and credit-related accounts or facility, including conducting reviews of the Customer's portfolio(s); recover debts; and/or any purpose related to or in connection with the account/Facility under these Terms. The Customer will be linked by credit reporting/reference agencies to any other names the Customer use or have used, and any joint and several applicants. The Bank may also share information about the Customer and how the Customer manages the Customer's account(s)/Facility with relevant credit reporting/reference agencies and for any of these credit reporting/ reference agencies to disclose your credit information to its subscribers for purposes of fraud detection and fraud prevention.
 - (e) Even after the Customer has provided the Bank with any information, the Customer will have the option to withdraw the consent given earlier, except where such disclosure of the Customer's information is necessary for the provision of the Facility or the performance of the contract with the Customer or the Bank's compliance with any contractual or legal requirement.
- 17.3 The Bank reserves the right to amend this Clause 17 from time to time at the Bank's discretion and shall provide prior notification to the Customer in writing and place any such amendments on the Bank's websites and/or by placing notices at the banking halls or at prominent locations within the Bank's branches.
- 17.4 For the purposes of Clauses 17.1 and 17.2, the CIMB Group consists of CIMB Group Holdings Berhad and all its related corporations as defined in Section 7 of the Companies Act and jointly controlled companies that provide financial and other regulated services, excluding companies, branches, offices and other forms of presence operating outside Malaysia and the use of the words "the Bank", and "the Bank's" are to be read as references to the CIMB Group.
- 17.5 This Clause 17 shall be without prejudice to any other clause in these Terms which provides for the disclosure of information.

18. ANTI-MONEY LAUNDERING, ANTI-TERRORISM FINANCING AND PROCEEDS OF UNLAWFUL ACTIVITIES ACT

The Customer acknowledges that the Bank has entered into the Transaction Documents and have agreed to make available the Facility in full reliance on the representations and warranties by the Customer on the following terms; and the Customer now represents and warrants to the Bank that:

- (a) unless and until the Customer notifies the Bank to the contrary in writing:
 - (i) the Customer is the principal in relation to the Facility;
 - (ii) no person other than the Customer has or will have any interest in the Facility; and
 - (iii) all monies which will be paid to the Bank shall come from a lawful source of activity and not unlawful activities, as defined under the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 of Malaysia ("AMLA").
- (b) on notification that the Customer is an intermediary for other persons:
 - (i) the Bank may require, and the Customer agrees and undertakes to provide, verification of the identity of the beneficiary and such other information as the Bank may require, including but not limited to certified true copies of any authorisation to act or documents that may be required for the purposes of verifying the information provided by the Customer, which copies may thereafter be retained by the Bank;
 - (ii) the Customer will confirm that the monies, funds or collateral are from a lawful source of activity and not unlawful activity as defined under AMLA; and
 - (iii) it is further hereby agreed and understood that the provision of details of the Customer's beneficiary shall not make the Customer's beneficiary a client of the Bank and the Bank shall be entitled to hold the Customer as the principal.
- (c) in addition to paragraphs (a) and (b) above, the Customer hereby agrees and undertakes irrevocably and unconditionally that:
 - (i) the Customer shall disclose and furnish to the Bank any information required or deemed necessary (acting reasonably) and to the satisfaction of the Bank in a timely manner within the period specified by the Bank, for purposes of complying with laws and regulations of BNM;
 - (ii) pending receipt of information by the Bank from the Customer and until received and verified thereof to the satisfaction of the Bank and or the relevant authorities, the Bank shall neither be obliged to proceed with any transaction or disbursement nor accept any monies, funds or collateral ("Assets"). In relation to Assets already in the possession of the Bank, the Bank shall be entitled (and authorised) if so required by the relevant authorities to retain the Assets for the time being; any Assets requested to be returned to the Customer shall be returned to the Customer after the Bank receives satisfactory clearance from the relevant authorities;

- (iii) the Customer shall not use the Facility (or any part thereof) for money laundering or violate any laws relating to money laundering as defined under AMLA;
- (iv) in no event shall the Bank be liable for any direct, indirect, consequential or any losses whatsoever or howsoever arising or by reason of the Bank's exercise of its duties under AMLA;
- (v) the Customer shall not engage, directly or indirectly, in a transaction that involves proceeds of any unlawful activity;
- (vi) the Customer shall not acquire, receive, possess, disguise, transfer, convert, exchange, carry, dispose, use, remove from or bring into Malaysia proceeds of any unlawful activity; and/or
- (vii) the Customer shall not conceal, disguise or impede the establishment of the true nature, origin, location, movement, disposition, title, rights with respect to, or ownership of, proceeds of any unlawful activity.

SHARIAH TERMS

IMPORTANT NOTICE

These Shariah terms form a legally binding agreement between the Customer and CIMB Islamic Bank Berhad ("the Bank"). You are advised to read and understand these Shariah terms. If you do not understand any of these Shariah terms, you may seek the Bank's clarification on such Shariah terms. These Shariah terms apply to Business Banking and SME Banking Products of the Bank.

A) Tawarruq

The Shariah concept of Tawarruq and the following terms and conditions, unless specified otherwise, shall apply to Term Financing-i, Cash Line-i, Excess Limit Utilization under Cash Line-i, Revolving Credit-i and Multi-Option Line-i granted to customers by CIMB Islamic Bank Berhad as indicated in the letter of offer ("Letter of Offer"). All capitalized terms, unless otherwise defined or where the context otherwise require, shall have the same meaning as defined in the Letter of Offer and/or General Terms and Conditions. These Shariah Terms shall be read and construed as part and parcel of the Letter of Offer.

1. Nature/ Mode of Financing

- (a) The Customer will issue a purchase requisition ("**Purchase Request /Drawdown Notice**") to the Bank containing a request for the Bank to purchase the Commodity for an amount equal to the amount of the Facility Amount or if it is a Revolving Credit-i, an amount equal to the amount to be utilised by the Customer or if it is an Excess Limit Utilization, an amount equal to the amount to be utilised by the Customer or approved by the Bank, whichever is lower; and the appointment of the Bank or any third party acceptable to the Bank to act as the Customer's agent to (aa) conclude the purchase of the Commodity from the Bank at the Bank's Sale Price comprising of the Bank's Purchase Price and the Profit Portion (described below) based on Profit Rate (described above), and (bb) upon conclusion of the Customer's purchase of the Commodity from the Bank, to sell the Commodity to any commodity supplier at the Customer's Sale Price which shall be equivalent to the Bank's Purchase Price.
- (b) Backed by the Purchase Request / Drawdown Notice, the Bank will purchase the Commodity from a commodity supplier at the Bank's Purchase Price. Thereafter the Bank shall sell the Commodity to the Customer and the Customer will purchase the Commodity from the Bank at the Bank's Sale Price upon the terms and conditions contained in this Letter of Offer and/or the General Facility Agreement entered into between the Bank and the Customer. The purchase of the Commodity by the Customer will be concluded by the Bank or any third party acceptable to the Bank as the Customer's agent pursuant to the agency in the Purchase Request /Drawdown Notice.
- (c) Upon conclusion on the sale of the Commodity by the Bank to the Customer, the legal and/or beneficial title, ownership, rights, risk and interests of the Commodity shall immediately be transferred to the Customer and the Bank shall immediately enable the Customer to take possession of the Commodity. If required by the Customer, the Bank shall immediately enable the Commodity to be delivered to the Customer. Any cost incurred for the delivery of the Commodity shall be borne by the Customer. Such delivery of the Commodity to the Customer shall only be made if the Bank has not sold the Commodity as the Customer's agent to any third party. The parties agree that the Commodity is sold on an "as is where is basis" free from all encumbrances, charges, liens and/or restraints whatsoever and without any representation or warranty in respect thereof. The Customer also agrees to waive his/her/its right to terminate the sale of the Commodity by the Bank to the Customer in the event the Commodity is found to be defective.
- (d) Upon completion of the sale and purchase of the Commodity in (c) above, the Bank or any third party acceptable to the Bank as the Customer's agent and on behalf of the Customer pursuant to the agency in the Purchase Request /Drawdown Notice, will sell the Commodity to any commodity supplier (who shall not be the commodity supplier referred to in (b) above) at the Customer's Sale Price.
- (e) The above arrangement shall hereafter be referred to as the "Tawarruq transaction".
- (f) The Bank will send a Murabahah Sale Confirmation to the Customer upon completion of the Tawarruq.

2. Commodity / Underlying Asset

Any Shariah-compliant commodities other than ribawi items in the category of medium of exchange such as currencies, gold, silver and debt instruments to be endorsed by the Bank's Shariah Committee.

3. Bank's Purchase Price

For Term Financing-i, Cash Line-i, and Multi-Option Line-i, the price of the Commodity purchased by the Bank from the commodity supplier shall be equal to the Facility amount of the respective Facility. For Revolving Credit-i and Excess Limit Utilization under Cash Line-i, the price of the Commodity purchased by the Bank from the commodity supplier shall be as specified under the Purchase Request / Drawdown Notice.

4. Customer's Sale Price

Amount equivalent to the Bank's Purchase Price.

5. Bank's Sale Price

The Bank's Sale Price shall be the aggregate of:

- (a) Bank's Purchase Price ("Principal"); and
- (b) Profit Portion.

For Term Financing-i, Cash Line-i, Excess Limit Utilization under Cash Line-i and Revolving Credit-i, the following shall apply:-

"Profit Portion" shall mean the profit margin calculated on the Principal, Profit Rate and Tenure as detailed in the Letter of Offer.

In the event where the Profit Rate is based on Ceiling Profit Rate (CPR), "Profit Portion" shall mean the profit margin calculated based on the Principal, Ceiling Profit Rate (CPR) and Tenure as detailed in the Letter of Offer.

In the event where the Profit Rate is based on Ceiling Profit Rate (CPR), notwithstanding the above, the Profit Portion of the Bank's Sale Price payable by the Customer shall be calculated based on Effective Profit Rate (EPR) as detailed in the Letter of Offer. The difference between the Profit Portion calculated based on CPR and EPR shall be waived by the Bank by way of Ibra'.

For Cash Line-i facility, the Bank's Sale Price for each sale transaction upon renewal of the Cash Line-i facility shall be calculated based on CPR determined by the Bank at its discretion which shall be notified by the Bank to the Customer prior to renewal of the Cash Line-i.

The CPR shall be 15% per annum.

For Multi-Option Line-i, the following shall apply:-

"Profit Portion" shall mean the profit margin calculated on the Principal, Ceiling Profit Rate (CPR) of 15% and tenure of 5 years ("Tawarruq Period").

Notwithstanding the above, the Profit Portion of the Bank's Sale Price payable by the customer shall be calculated based on Effective Profit Rate (EPR) which is the applicable profit rate for the relevant facilities under the MOL-i (other than Bank Guarantee-i, Shipping Guarantee-i, Documentary Credit-i and Standby Letter of Credit-i) as detailed in the Letter of Offer. The difference between the Profit Portion calculated based on CPR and EPR shall be waived by the Bank by way of Ibra'.

The Bank's Sale Price shall be paid at the end of the Tawarruq Period or in accordance to the payment terms for the relevant facilities under the MOL-i, whichever earlier.

Each utilisation of the facilities under Multi-Option Line-i shall be deemed as utilisation of the MOL-i limit.

The full and/or portion of the Cash Cover of the facility shall be utilized by the Bank at any time from time to time until the Customer made a request for drawdown or utilization of the relevant facilities under the Multi-Option Line-i accordingly.

"Cash Cover" means any payment and/or cancellation (for each individual facility under the Multi-Option Line-i other than profit and compensation (ta'widh)) received by the Bank before the end of the Tawarruq Period or early call by the Bank, as the case maybe.

The Bank's Sale Price for each sale transaction upon renewal at the end the Tawarruq Period of the Multi-Option Line-i facility shall be calculated based on CPR determined by the Bank at its discretion which shall be notified by the Bank to the Customer prior to renewal of the Multi-Option Line-i.

6. Claims and Ta'widh (Compensation)

Notwithstanding anything contained in this Letter of Offer, the Customer hereby agrees, covenants and undertakes to pay to the Bank Ta'widh (compensation) as follows:

- (a) for default in payment during the tenure of each of the Facilities, the Ta'widh (compensation) rate that shall be applied is up to one per centum (1.00%) per annum or any other rates approved by Bank Negara Malaysia (BNM) on the overdue installments from the due date (s) for payment of such installment(s) until the date when payment is received by the Bank;
- (b) for default in payment during the tenure of each of the Facilities where such default causes the entire Facilities to be terminated or brought to court for judgment prior to maturity, the Ta'widh (compensation) rate that shall be applied is up to one per centum (1%) per annum or any other rates approved by BNM on the outstanding Bank's Sale Price less ibra' as may be applicable ("Outstanding Balance") from the date the entire Facilities is terminated until the date the Outstanding Balance is received by the Bank or the judgment is obtained, whichever is earlier; and
- (c) for default in payment beyond the tenure of each of the Facilities, the Ta'widh (compensation) rate to be applied shall not be more than the BNM's prevailing daily overnight Islamic Interbank Money Market Rate (IIMM) or any other rates approved by BNM on the Outstanding Balance from the date the tenure expires until the date the outstanding Bank's Sale Price is received by the Bank.

The Ta'widh (compensation) amount shall not be compounded on the overdue installment and/or outstanding balance, as the case may be. The accumulated Ta'widh (compensation) shall not exceed one hundred percent (100%) of the Bank's Purchase Price portion of the Bank's Sale Price.

7. Ibra' (Rebate) [Applicable for Facilities other than Cash Line-i]

The Bank shall grant Ibra' in the following circumstances:

- (a) Difference in Profit Portion calculated based on CPR and EPR (Applicable for Facilities where Profit Margin is based on CPR)

The difference between the Profit Portion calculated based on CPR and EPR shall be waived by the Bank by way of Ibra'.

- (b) Early Settlement or Event of Default

The Bank shall grant an Ibra' on the Bank's Sale Price upon receipt of the Settlement Amount pursuant to: -

- (i) the Customer exercising its right for early settlement; or
- (ii) the Bank exercising its right to terminate the Facilities upon Event of Default.

The Settlement Amount and Ibra' shall be determined in accordance with the Settlement Amount clause below.

- (c) Cancellation of Facility Pursuant to Expiry of Availability Period

In the event any of the Facilities is cancelled by the Bank, the Profit Portion calculated on the undisbursed amount shall be waived by the Bank by way of Ibra'.

- (d) Partial Settlement

Subject to item 12 on partial settlement ("Partial Settlement") below, the Profit Portion of the Bank's Sale Price equivalent to the profit accruing at the profit rate calculated on the Partial Settlement amount will be waived by the Bank by way of Ibra'. The Ibra' will be granted upon receipt of the Settlement Amount or upon receipt of the full indebtedness payable to the Bank under the Facility.

8. Ibra' (Rebate) [Applicable for Cash Line-i]

The Bank shall grant Ibra' in the following circumstances:

- (a) Difference in Profit Portion calculated based on CPR and EPR 1 and EPR 2 (Applicable for Facilities where Profit Margin is based on CPR)

The difference between the Profit Portion calculated based on CPR and EPR 1 and EPR 2 shall be waived by the Bank by way of Ibra'.

- (b) Early Settlement or Event of Default or Upon Demand by the Bank

The Bank shall grant an Ibra' on the Bank's Sale Price upon receipt of the Settlement Amount pursuant to: -

- (i) the Customer exercising its right for early settlement; or
- (ii) the Bank exercising its right to terminate the Facility upon Event of Default; or
- (iii) the Bank exercising its right to recall the Facility upon demand.

The Settlement Amount and Ibra' shall be determined in accordance with Settlement Amount clause below.

(c) Cancellation of Facility Pursuant to Expiry of Availability Period

In the event the Cash Line-i Facility is cancelled by the Bank pursuant to Availability Period clause above, the Profit Portion of the Bank's Sale Price calculated on the undisbursed amount shall be waived by the Bank by way of Ibra'.

(d) Partial Settlement

Subject to item 12 on partial settlement ("Partial Settlement") below, the Profit Portion of the Bank's Sale Price equivalent to the profit accruing at the profit rate calculated on the Partial Settlement amount will be waived by the Bank by way of Ibra'. The Ibra' will be granted upon receipt of the Settlement Amount or upon receipt of the full indebtedness payable to the Bank under the Facility.

9. Settlement Amount [Applicable for Facilities other than Cash Line-i]

The Settlement Amount shall be the aggregate of: -

- (a) Outstanding Bank's Purchase Price; and
- (b) Profit Portion based on EPR calculated up to the date the Settlement Amount is paid LESS Profit Portion based on EPR which has been paid to the Bank (applicable if Profit Margin is based on CPR) or Profit Portion calculated up to the date the Settlement Amount is paid LESS Profit Portion which has been paid to the Bank (applicable if Profit Margin is not based on CPR); and
- (c) Ta'widh (Compensation) calculated up to the date the Settlement Amount is paid (if any); and
- (d) Early Settlement Charges, if applicable; and
- (e) Other charges (if any).

"**Outstanding Bank's Purchase Price**" shall mean the Bank's Purchase Price portion of the Bank's Sale Price which has not been paid to the Bank. The difference between:-

- (i) the Bank's Sale Price; and
- (iii) the aggregate of (a), (b), (d) above and the portion of the Bank's Sale Price which has been paid to the Bank shall be waived by way of Ibra'.

10. Settlement Amount [Applicable for Cash Line-i]

The Settlement Amount shall be the aggregate of: -

- (a) Outstanding Bank's Purchase Price; and
- (b) Profit Portion based on EPR 1 calculated up to the date the Settlement Amount is paid LESS Profit Portion based on EPR 1 which has been paid to the Bank (applicable if Profit Margin is based on CPR) or Profit Portion calculated up to the date the Settlement Amount is paid LESS Profit Portion which has been paid to the Bank (applicable if Profit Margin is not based on CPR); and
- (c) Profit Portion based on EPR 2 calculated up to the date the Settlement Amount is paid LESS Profit Portion based on EPR 2 which has been paid to the Bank (applicable if Profit Margin is based on CPR) or Profit Portion calculated up to the date the Settlement Amount is paid LESS Profit Portion which has been paid to the Bank (applicable if Profit Margin is not based on CPR); and
- (d) Ta'widh (Compensation) calculated up to the date the Settlement Amount is paid (if any); and
- (e) Other charges (if any).

"**Outstanding Bank's Purchase Price**" shall mean the Bank's Purchase Price portion of the Bank's Sale Price which has not been paid to the Bank.

The difference between: -

- (i) the Bank's Sale Price; and
- (ii) the aggregate of (a), (b), (c) above and the portion of the Bank's Sale Price which has been paid to the Bank shall be waived by way of Ibra'.

11. Early Settlement

The Customer shall be entitled to make early settlement of the Facilities at any time during the Tenure by giving at least thirty (30) business days advance written notice to the Bank and paying the Settlement Amount which must be made on the date(s) as may be determined by the Bank. The Settlement Amount payable shall be determined in accordance with clause on Settlement Amount above.

Any notice for Early Settlement shall be irrevocable and the Customer shall be obligated to make such settlement in accordance with the notice.

12. Partial Settlement

The Customer shall be entitled to make Partial Settlement of the Outstanding Principal of the Facility subject to the following:

- i) Partial Settlement is only allowed after full disbursement of the Facility.
- ii) At least **twenty-one (21) days advance written notice** shall be given to the Bank prior to the Partial Settlement.
- iii) Any notice in writing received by the Bank for any Partial Settlement shall be irrevocable and the Partial Settlement amount paid shall not be available for redrawing.
- iv) Any Partial Settlement amount paid may be applied by the Bank towards payment of the principal amount outstanding under the Facility or any part thereof in the inverse order of maturity.
- v) No payments made shall be deemed to be a payment of principal until all profit then accrued and all other moneys then outstanding and payable by the Customer or any other security party to the Bank have been paid.

B) Wakalah

The Shariah concept of Wakalah and the following terms and conditions, unless specified otherwise, shall apply to Documentary Credit-i and Standby Letter of Credit-i granted to customers by CIMB Islamic Bank Berhad as indicated in the letter of offer (“Letter of Offer”). All capitalized terms, unless otherwise defined or where the context otherwise require, shall have the same meaning as defined in the Letter of Offer and/or General Terms and Conditions. These Shariah Terms shall be read and construed as part and parcel of the Letter of Offer.

1. Nature/ Mode of Financing**a) For Documentary Credit-i**

Under the concept of Wakalah, the Customer appoints the Bank to act on his behalf. If the Bank accepts the appointment, the Bank will then issue a Documentary Credit-i to a local or foreign supplier/beneficiary named or to be specified by the Customer, so as to facilitate the Customer to purchase goods identified or to be identified by the Customer.

b) For Standby Letter of Credit-i

Under the concept of Wakalah, the Customer appoints the Bank to act on his behalf. If the Bank accepts the appointment, the Bank will issue the Standby Letter of Credit-i as requested by the Customer in favour of the beneficiary based on Shariah principle of Wakalah. Upon expiry of the Standby Letter of Credit-i, the Standby Letter of Credit-i shall be cancelled in accordance with the Bank's standard operating procedures.

C) Kafalah

The Shariah concept of Kafalah and the following terms and conditions, unless specified otherwise, shall apply to Bank Guarantee-i and Shipping Guarantee-i granted to customers by CIMB Islamic Bank Berhad as indicated in the letter of offer (“Letter of Offer”). All capitalized terms, unless otherwise defined or where the context otherwise require, shall have the same meaning as defined in the Letter of Offer and/or General Terms and Conditions. These Shariah Terms shall be read and construed as part and parcel of the Letter of Offer.

1. Nature/ Mode of Financing**a) For Bank Guarantee-i**

Based on Kafalah concept, the Bank shall issue Bank Guarantee-i in favour of a beneficiary named or to be named by the Customer to guarantee the performance of the Customer's obligation in the contract specified or to be specified by the Customer to the named beneficiary.

b) For Shipping Guarantee-i

Based on Kafalah concept, the Bank shall issue an indemnity document in the form of Shipping Guarantee-i in favour of a beneficiary named by the Customer on the instruction of the Customer to take delivery of goods from the named beneficiary (or its agent) while awaiting presentation of the shipping documents.

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