

ASSET SALE AGREEMENT

This **ASSET SALE AGREEMENT** (“Agreement”) is made on the day and year stated in **Section 1** of the **SCHEDULE 1** hereto.

BETWEEN

- (1) **KOPERASI CO-OPBANK PERTAMA MALAYSIA BERHAD (Co-operative No. 1146 / 7.6.50)** a co-operative society registered under the Co-operatives Societies Act, 1993 and having its registered office at Tingkat 6, Wisma JCBNext, No.27, Lorong Medan Tuanku 1, Off Jalan Sultan Ismail, 50300 Kuala Lumpur and having its place of business as set out in **Section 2 of Schedule 1** hereto, and includes its successors in title and assigns (hereinafter referred as the “Bank”) of the first part;

AND

- (2) The party whose name and particulars are stated in **Section 3** of the **Schedule 1** hereto (hereinafter referred to as the “Customer”) of the second part.

RECITALS

- A. The existing Asset Sale Agreement (hereinafter referred to as the “**Existing Asset Sale Agreement**”) stated in **Section 13** of the First Schedule hereto and the existing Asset Purchase Agreement (hereinafter referred to as “the Existing Asset Purchase Agreement”) stated in **Section 14** of the First Schedule between the Customer and the Bank are hereby agreed by the parties to be void from the beginning under Shariah.
- B. All beneficial rights, interests and title in the assets more particularly stated in **Section 4** of the **Schedule 1** hereto (hereinafter called “the Assets”) under the Existing Asset Sale Agreement and the Existing Asset Purchase Agreement is reverted to the Bank upon the Existing Asset Sale Agreement and the Existing Asset Purchase Agreement being void from the beginning under Shariah and prior to the execution hereof.
- C. The Bank becomes the beneficial owner of the Asset prior to the execution hereof.
- D. The Bank has offered the Customer to purchase the Assets in accordance with the Shariah principle of Bai’ Inah subject to the terms and conditions contained in the Letter of Offer as stated in **Section 5** of the **Schedule 1** hereto.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definition

- (i) In this Agreement each of the following expressions has, unless the context otherwise requires, the meaning respectively assigned to them hereunder:-

Account	means an account of the Customer maintained or to be opened with the Bank for the purposes of making the Monthly Payments.
Accessory Parcel	shall have the meaning assigned to it by the Strata Titles Act, 1985, the Strata Titles Ordinance, 1995, and the Land (Subsidiary Title) Enactment, 1972, and includes any statutory amendment or re-enactment thereof.
Assets	Any assets to be determined by the Bank, which shall be the subject matter of the trade transaction under the Shariah principle of Bai' Al-Inah and as described in Section 4 of the Schedule 2 hereto.
Availability Period	means the period the Facility will be available for disbursement as set out in Section 6 of Schedule 1 hereto, subject to fulfillment of Conditions Precedent.
Bank's Sale Price	means the amount as stated in Section 11 of Schedule 1 hereto, payable by the Customer to the Bank in monthly instalments ("Monthly Payments") as the sale price for the Assets which shall comprise of: (a) the Bank's Purchase Price; and (b) the Profit Portion.
BFR	means the prevailing base financing rate as more particularly described in the Letter of Offer
BNM	means Bank Negara Malaysia, a body corporate governed under the Bank Negara Malaysia Act, 2009;

Business Day	means a day (excluding Saturday, Sunday and public holiday) on which the branch of the Bank through which the Facility is made available is open for transaction of business of the nature required or contemplated by the Letter of Offer.
Ceiling Profit Rate or CPR	means the ceiling profit rate applicable to the Facility as set out in the Letter of Offer.
Charge	means the legal charge over the Property in the form and substance acceptable to the Bank executed or to be executed by the Customer in favour of the Bank in relation to the Facility.
Contract Agreement	means (where applicable) the agreement made between the Customer and the Vendor/Contractor/Supplier Contractor on the date as stated in Section 8 (a) of Schedule 1 hereto in connection with the Project upon the terms and conditions contained therein.
Deed of Assignment	<p>means the deed of assignment in the form and substance acceptable to the Bank executed or to be executed by the Customer in favour of the Bank in relation to the Facility, to include but not limited to:-</p> <ul style="list-style-type: none"> (i) Deed of Assignment (By Way of Security); (ii) Deed of Assignment of Contract Proceeds; (iii) Deed of Assignment of Designated Account; (iv) Deed of assignment of Rights, Title, Interest and Benefits; <p>and any other security documents for the time being or from time to time constituting security for the obligations and liabilities (including but not limited to the payment of the Sale Price) of the Customer under and in connection with the Facility and the Security Documents and where the context so requires or admits, references to "Security Documents" shall be construed as references to any one or more of them.</p>
Designated Account	means the account to be opened by the Customer which shall be assigned to the Bank.(if applicable)

Vendor/Contractor/Supplier	means (where applicable) the party where the Customer has entered into a Contract Agreement as set out in Section 8 (b) of Schedule 1 hereto and includes his/her/their/its successors in title and permitted assigns, heirs and personal representatives as the case may be.
Differential Sum	means (where applicable) the difference between Facility Amount and the Contract Price, as the case may be.
Effective Profit Rate or EPR	means the effective profit rate applicable to the Facility as set out in the Letter of Offer;
Event of Default	means any of the events as set out in Clause 11 herein and more particularly set out in Schedule 7 herein.
Existing Asset Sale Agreement	means the asset sale agreement executed by the Customer in favour of the Bank as stated in Section 13 of Schedule 1 herein.
Existing Asset Purchase Agreement	means the asset purchase agreement executed by the Customer in favour of the Bank as stated in Section 14 of Schedule 1 herein.
Existing Chargee/ Assignee Bank	means (if applicable) the bank or financial institution as set out in Section 10 of Schedule 1 hereto
Facility Amount	means the amount as set out in Section 7 of Schedule 1 hereto.
Guarantee	means (if applicable) the guarantee in the form and substance acceptable to the Bank executed or to be executed by the Guarantor in favour of the Bank, and if more than one individual, joint and several guarantee in relation to the Facility.

Guarantor	means (if applicable) the person or body corporate required to provide the Guarantee in favour of the Bank as set out in Section 3 of Schedule 2 hereto and includes his/her/their/its successors in title, permitted assigns, heirs and personal representative, as the case may be.
Indebtedness	means the Sale Price or any part thereof and any other monies howsoever due and payable to the Bank under the terms of the Security Documents (whether in connection with the Facility, profit margin, fees, costs, expenses or otherwise howsoever);
Land Act	means the National Land Code (Act 56 of 1965) of Peninsular Malaysia, Sarawak Land Code (Cap. 81) and Sabah Land Ordinance (Cap. 68) the Land (Subsidiary Title) Enactment, 1972, the Strata Titles Act, 1985, and the Strata Titles Ordinance, 1995, and includes any statutory amendment or re-enactment thereof.
Letter of Offer	means the letter of offer for the Facility issued by the Bank and duly accepted by the Customer.
Material Adverse Change	Means any material adverse change in the business or condition (financial or otherwise) or results in the operations of the Customer and/or its subsidiaries taken as a whole, which may materially and adversely affect the ability of the Customer to perform its obligations hereunder and/or the Security Documents.
Project	means the Customer's business venture in connection with the Facility and more particularly stated in Section 9 of Schedule 1 hereto.
Profit Portion	means the profit margin based on the CPR and more particularly stated in Section 12 of Schedule 1 hereto.
Revised EPR	means the revised Effective Profit Rate (EPR) by the Bank in the event of delay or failure to pay any Monthly Payments as more particularly described

	in the Letter of Offer.
Ringgit Malaysia or RM	means the lawful currency of Malaysia.
Contract Price	means the total contract price under the Contract Agreement.
Security Deposit	means the sum of money to be deposited by the Customer and/or deducted from the Facility Amount disbursed by the Bank as more particularly described in Section 2 of Schedule 2 herein which shall form part of the Security as mentioned in Clause 5 herein.
Security Documents	means the security documents in favour of the Bank in relation to the Facility as set out in Schedule 3 herein and required in the Letter of Offer, including but not limited to the following: <ul style="list-style-type: none"> i. Charge; ii. Deed of Assignment; and iii. Guarantee.
Security Interests	means any mortgage charge, pledge, lien, right of set off or any security interest whatsoever or howsoever created or arising.
Security Party	means the Customer and/or the Guarantor and/or any other party from time to time required by the Bank to provide security to the Bank for the Customer's obligations under the Facility and execute the Security Documents and references to "Security Party" includes reference to each or any one thereof.
Settlement Amounts	means the aggregate of the payments due and payable by the Customer to the Bank pursuant to this Agreement in accordance with the calculation method as set out in the Letter of Offer.
Shariah	means the Shariah rulings and decisions issued by the Shariah Advisory Council of BNM and Shariah Committee of the Bank respectively. Accordingly, for the purpose of this Agreement, "subject to Shariah" and "Shariah compliant" shall

	mean subject to and compliant with such rulings and decisions.
Takaful Operators	means any takaful company or takaful provider duly approved by the Bank.
Tenure	means the tenure of the Facility as set out in the Letter of Offer.
Total Amount Due and Payable	<p>means the aggregate of the Settlement Amounts and where applicable shall include any of the following:</p> <ul style="list-style-type: none"> i. the payments due and payable by the Customer to the Bank upon any occurrence of Event of Default; or ii. the payments due and payable by the Customer to the Bank upon early settlement of the Bank's Sale Price or expiry of the Tenure, as the case may be; <p>which the Bank determines to be outstanding at any particular time and/or any part thereof, as well as all other monies whatsoever including but not limited to fees, charges, damages and expenses that are due and payable by the Customer to the Bank under the Security Documents.</p>
Total Loss Incident	means any incident or occurrence that results in the total loss or destruction of, or damage to the whole of the Project or any incident or occurrence that makes the Project permanently unfit for any economic use and any remedial work in respect thereof is uneconomical.

1.2 Constructions

Except where the context otherwise requires, any reference in this Agreement to:

- (a) an "agreement" or "document" also includes a concession, contract, deed, franchise, licence, treaty, forms or undertaking (in each case, whether oral or written) and includes a reference to any documents which amends, waives, is supplemental to or novates the terms thereof;
- (b) the "assets" of any person shall be construed as a reference to the whole or any part of its business, undertaking, property, assets and revenues

- (including any right to receive revenues);
- (c) a “consent” also includes an approval, authorisations, exemption, filing, licence order, permission, permit, recording or registration (and reference to obtaining consent shall be construed accordingly);
 - (d) “day” or “year” shall be construed by reference to the Gregorian calendar;
 - (e) a “directive” includes any present or future directive, policy, regulation, request, requirement or voluntary credit restraint programme (in each case, whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with the general practice of persons to whom the directive is addressed);
 - (f) “disposal” includes any sale, assignment, exchange, transfer, concession, loan, lease surrender of lease, licence, reservation, waiver, compromise, release, security, dealing with or the granting of any option or right or interest whatsoever or any agreement for any of the same and “dispose” means to make a disposal, and “acquisition” and “acquire” shall be construed with such necessary changes having been made;
 - (g) the “dissolution” of a person includes the bankruptcy or liquidation of that person, and any equivalent or analogous procedure under the law of any jurisdiction in which that person is domiciled or resident or carries on business or has assets;
 - (h) a “guarantee” also includes any other obligation (whatever called) of any person to pay, purchase, provide funds (whether by way of the advance of money, the purchase of or subscription for shares or other securities, the purchase of assets or services, or otherwise) for the payment of, indemnify against the consequences of default in the payment of, or otherwise be responsible for, any indebtedness of any other person;
 - (i) “indebtedness” includes any obligation (whether present or future, actual or contingent, secured or unsecured, as principal or surety or otherwise) for the payment or payment of money including but not limited to principal, profit, default and/or additional profit, commission, fee and other charges whether by this Agreement or any future facility granted by the Bank from time to time or at any time;
 - (j) a “law” includes common or customary law and any constitution, decree, judgment, legislation, order, ordinance, regulation, statute, treaty or other legislative measure in each case of any jurisdiction whatsoever (and ‘lawful’ and ‘unlawful’ shall be construed accordingly);
 - (k) “month” means a period beginning in one calendar month and ending in the next calendar month on the day numerically corresponding to the day of the calendar month on which it commences or, where there is no date in the next calendar month numerically corresponding as aforesaid, the last day of such calendar month, and ‘months’ and ‘monthly’ shall be construed accordingly;
 - (l) any “obligation” of any party under this Agreement, or the other Security Documents shall be construed as a reference to an obligation expressed to

be assumed by or imposed on it under this Agreement or, as the case may be, such Security Documents (and “due”, “owing”, “payable”, “receivable” shall be similarly construed);

- (m) a “person” includes any individual, company, corporation, firm, partnership, joint venture, association, organisation, trust, state or agency of a state (in each case, whether or not having separate legal personality) or any country or state or any political sub-division, possession or territory thereof or therein or the government or any bureau, minister, instrument, agency, instrumentality, court, regulatory body, authority, legislative body or department thereof (including, without limitation, the central bank or any taxing, fiscal or other monetary authority thereof) and reference to a person or party includes that person’s or party’s successors and, in the case of any person other than the Customer, its permitted assigns;
- (n) “security” includes any mortgage, pledge, lien, assignment, hypothecation, security interests, trust arrangement or other charge or encumbrance and any deferred purchase, title retention, leasing, sale-and-repurchase, transfer or other similar arrangements which have the effect of conferring security;
- (o) “subsidiary” has the meaning ascribed to it in Section 5 of the Companies Act, 1965;
- (p) “tax(es)” includes any present or future tax, levy, impost, duty, charge, fee, deduction or withholding of any nature and whatever called, by whomsoever, on whomsoever and wherever imposed, levied, collected, withheld or assessed and includes, but is not limited to, any fine, penalty, charge, fee or other amount imposed on or in respect of any of the above; and
- (q) in relation to any “consent” to be obtained pursuant to this Agreement and/or Security Documents by the Customer from any party, such consent shall be dealt with promptly and shall not be unreasonably withheld by such party.

1.3 Interpretations

- (a) Words denoting the singular includes the plural number and vice versa.
- (b) Words importing the masculine gender include the feminine and neuter genders and vice versa.
- (c) The headings and sub-headings to Clauses and Schedules in this Agreement are inserted for convenience only and shall be ignored in construing the provisions of this Agreement.
- (d) References to “this Agreement” shall include any amendments, variations and/or supplemental made or entered into from time to time.
- (e) References to Items, Clauses and Schedules are to be construed as references to Items, Clauses and Schedules of this Agreement, unless stated otherwise.
- (f) References to the provisions of any legislation include a reference to any statutory modification or re-enactment thereof.

- (g) Any liberty or power which may be exercised or any determination which may be made hereunder by the Bank may be exercised or made at the Bank's absolute or unfettered discretion and the Bank shall not be under any obligation to give any reason thereof to the Customer.
- (h) Words applicable to natural persons include any body, person, company, corporation, firm or partnership, corporate or otherwise and vice versa.
- (i) The word "herein", "hereinafter", "hereof", "hereunder" and other words of similar important shall refer to this Agreement as a whole and not to any particular provision.
- (j) The words "monies", "Ringgit Malaysia" and the symbol "RM" shall be construed as Malaysian currency.
- (k) All Schedule(s) herein shall form an integral part of this Agreement and shall be taken, read and construed as an essential part hereof.
- (l) Where there are two (2) or more persons or parties included or comprised in the expression "the Customer":
 - (i) and any one or more of such persons ("Original Signatories") is not bound by the provisions of this Agreement (whether by reason of its or their lack of capacity or improper execution or for any other reason whatever), the remaining Original Signatory or Signatories shall continue to be bound by the provisions of this Agreement as if such other Original Signatory or Signatories had never been party hereto;
 - (ii) the Bank shall be at liberty to release or discharge any one or more of such persons from liability or to compound with, accept compositions from or make any other arrangements with any of such persons without in consequence releasing or discharging any other of such persons or otherwise prejudicing or affecting the Bank's rights and remedies against any other of such persons;
 - (iii) otherwise all agreements, covenants, terms, stipulations and undertakings expressed to be made by and on the part of the Customer shall be deemed to be made by or binding upon such persons or parties jointly and severally.

1.4 Language

This Agreement is available in English only. The parties agree that the version executed by the Customer shall prevail for the purpose of legal contract by the parties. However, all correspondence, notices or other documents required or permitted hereunder may be drawn up in English, and drawings and diagrams shall unless otherwise expressly agreed by the parties in writing, be annotated in English. The Malay translation (if available) shall be for purposes of information only.

2. EXISTING ASSET SALE AGREEMENT & EXISTING ASSET PURCHASE AGREEMENT VOID FROM THE BEGINNING UNDER SHARIAH

- 2.1 The parties hereby agree that the Existing Asset Sale Agreement and the Existing Asset Purchase Agreement between the Customer and the Bank are void from the beginning under Shariah.
- 2.2 All beneficial rights, interests and title in and to the Asset under Existing Asset Sale Agreement and the Asset Purchase Agreement shall revert to and vest in the Bank upon the Existing Asset Sale Agreement and the Existing Asset Purchase Agreement void from the beginning under Shariah and prior to the execution hereof.
- 2.3 The Bank becomes the beneficial owner to the parcel of Asset prior to the execution hereof.

3. AGREEMENT TO SELL AND PASSING OF TITLE

3.1 Agreement to Sell and Passing of Title

- (i) The Bank hereby sell to the Customer the Assets free from all liens, charges or encumbrances at the Sale Price stated in **Section 11** of the **Schedule 1** subject to and upon the terms and conditions herein contained which shall include the Bank's profit margin.
- (ii) Title to and beneficial ownership in the Assets shall pass to the Customer upon execution of this Agreement and thereafter the Bank shall not be entitled to any lien, charge, pledge, encumbrance or any other right whatsoever over the Assets.
- (iii) Part of the Sale Price herein is to be set off with whatever that has been paid from the Sale Price stated in **Section 11** of the **Schedule 1** of the Existing Asset Sale Agreement.

4. OWNERSHIP OF ASSET

Ownership right of the Assets through physical possession or constructive possession shall pass to the Customer upon execution of this Agreement.

5. UNDERTAKING TO PAY BANK'S SALE PRICE

The Customer hereby undertakes to pay the Bank's Sale Price through Monthly Payments in the manner and at the time as set out in **Schedule 2** herein subject to and in accordance with the terms of this Agreement. The Customer further undertakes to pay the Total Amount Due and Payable to the Bank under this Agreement and other Security Documents as and when it falls due.

5.1 Partial Settlement/Early Settlement

- (a) The Customer shall be allowed to request for the partial settlement of the Bank's Sale Price ("Partial Settlement") at any time during the Tenure by giving advance written notice to the Bank. Payment of the partial settlement amount ("Partial Settlement Amount") must be made on the date as determined by the Bank.

- (b) The Customer shall make full settlement of the Settlement Amount (“Early Settlement”) before expiry of the Tenure in either of the following events:
- (i) the Customer requests for an Early Settlement;
 - (ii) Early Settlement due to financing restructuring exercise;
 - (iii) Early Settlement in the Event of Default; and/or
 - (iv) Early Settlement in the event of termination of this Agreement before expiry of the Tenure for any other reason whatsoever.
- (c) In the event the Customer requests for an Early Settlement of the Facility, payment of the Early Settlement must be made on the date as may be determined by the Bank.
- (d) Any notice for Early Settlement shall be irrevocable and the Customer shall be obligated to make such settlement in accordance with the notice.

5.2 Undertaking to give Ibra' (Rebate)

- (a) The Bank undertakes to provide to the Customer an Ibra' (rebate) on the Bank's Sale Price and/or other monies remaining unpaid by the Customer in particular but not limited to the following circumstances:
- (i) Difference in Profit Portion Calculated Based on CPR and EPR

The difference between the Profit Portion calculated based on CPR and EPR shall be waived by the Bank by way of Ibra' upon receipt of the Settlement Amounts by the Bank or end of Tenure, whichever is earlier.

- (ii) Partial Settlement

In the event the Customer exercises its right under **Clause 5.1** above, the Profit Portion calculated on the Partial Settlement Amounts, calculated from the date of receipt of the Partial Settlement Amount until end of Tenure or upon receipt of the Settlement Amount (for Early Settlement), whichever is earlier, shall be waived by the Bank by way of Ibra'. The said waiver by the Bank shall be upon receipt of the Settlement Amount or the end of Tenure, whichever is earlier.

- (iii) Early Settlement or Events of Default

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

- (aa) the Customer exercising its right for Early Settlement as stated in **Clause 5.1**; or
- (bb) the Bank exercising its right to terminate the Facility upon Events of Default;

whereby the difference between the Bank's Sale Price and items (a), (b) and (e) of the Settlement Amounts as set out in the Letter of Offer and the portion of the Bank's Sale Price which has been paid to the Bank shall be waived by way of Ibra'.

(iv) Cancellation of Facility pursuant to expiry of Availability Period

If the Facility is cancelled by the Bank within the Availability Period, the Profit Portion calculated in the undisbursed amount shall be waived by the Bank by way of Ibra';

in accordance with methods and formula as set out in the Letter of Offer or such other methods and formula adopted by the Bank or as approved by BNM.

- (b) The Bank's calculation of such Ibra' (rebate) shall be treated as final and binding.

5.3 Changes of the Monthly Payments

- (a) In the event of any change in the BFR at any time during the Tenure resulting in change in the EPR, the Bank shall have the right to revise the Monthly Payments accordingly and such revision in Monthly Payments shall be notified to the Customer. Any revision in the EPR as aforesaid shall not exceed the CPR.

- (b) In addition to **Clause 5.3 (a)** above, in the event of any delay or failure by the Customer to pay any Monthly Payments during the Tenure in accordance with this Agreement, the Bank shall have the right to revise the Monthly Payments by revising the EPR to Revised EPR. Such revision in Monthly Payments as aforesaid shall be notified to the Customer and the Revised EPR shall not exceed the CPR.

5.4 Bank's Right to Commence Foreclosure And Legal Proceedings Concurrently

Notwithstanding any provision hereof, it is hereby expressly agreed that upon default or breach by the Customer of any term, covenant, stipulation and/or undertaking herein provided and on the part of the Customer to be observed and performed, the Bank shall thereafter have the right to exercise all or any of the remedies available whether by this Agreement or the other Security Documents or by statute or otherwise and shall be entitled to exercise such remedies concurrently, including pursuing all remedies of sale or possession, all rights of set-off, to collect the proceeds of all assignments and to give good and valid discharge therefore and to commence legal proceedings by way of a civil suit or otherwise to recover the Indebtedness due and owing to the Bank.

6. SECURITY

6.1 Security

Where applicable, as security for the obligation to pay and timely payment of the indebtedness including but not limited to Bank's Sale Price and all monies due and owing under this Agreement, the Customer shall execute or procure the execution of the Security Documents as set out in **Schedule 3** herein in favour of the Bank upon such terms and conditions as the Bank may require.

6.2 Continuing Security

The security herein created is expressly intended to be and shall be a continuing security for the indebtedness including but not limited to all monies whatsoever now or hereafter payable by the Customer under this Agreement and the Security Documents.

6.3 Covenant to Provide Further Security

- (a) The Customer shall at any time if and when required by the Bank execute or procure the execution in favour of the Bank or to any other person as the Bank shall direct such legal or other security as the Bank shall require and on all of the Customer's assets, right, title and interest in any property or asset or business now belonging to or which may hereafter be acquired by or belong to the Customer (including any contractor's lien) and the benefit of all licenses held in connection therewith to secure the indebtedness including but not limited to all monies and liabilities hereby agreed to be paid or intended to be secured, such security 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 reasonably require.
- (b) The Customer shall, at any time if and when required by the Bank, deposit with the Bank the documents of title of any or all immovable properties vested in the Customer for any tenure and all or any debentures shares stocks or other investments or securities registered in the name of the Customer or otherwise belonging to the Customer. Such deposit may be by way of collateral security for the payment of the indebtedness and may also or otherwise be for the purpose of securing any other monies owing to the Bank by the Customer and not secured hereby.

7. **TAKAFUL**

- 7.1 The Customer shall arrange for and maintain adequate Takaful insurance coverage for the properties, machinery or asset to be charged as security to the Bank and/or financed by the Bank from a Takaful company acceptable to the Bank and the Bank shall be named as beneficiary of the Takaful insurance policy. The sum insured shall not be below the total Facility. All cost shall be borne by the Customer.
- 7.2 The Takaful coverage shall include (but is not limited to) Contractor All Risk, Public Liability, All Risk and/or any other coverage which shall be deemed necessary by the Bank for the Customer's activities or endeavor and/or as may be advised by the Bank's Takaful panels. The Takaful coverage shall be taken from the Bank's panel of Takaful operators/brokers only (if any). In default whereof it shall be lawful for but not obligatory upon the Bank to insure the same and all monies expended by the Bank shall be paid on demand for the same being made by the Bank.

8. REPRESENTATIONS AND WARRANTIES

8.1 Representations and Warranties

The Customer hereby represents and warrants to the Bank as set out in [Schedule 4](#) herein.

8.2 Truth and Correctness of Representations and Warranties

(a) The Customer acknowledges that the Bank has accepted this Agreement on the basis of and in full reliance upon, the aforesaid representations and warranties, which are correct and complied with in all material respects so long as this Agreement shall remain in force and each of the above representations and warranties will be correct and complied with in all material respects throughout the subsistence of this Agreement.

(b) The truth and correctness of all the matters stated in the representations and warranties under Clause 8.1 herein shall form the basis of the Bank's commitment to make available or continue to make available the Facility to the Customer. If any such representations and/or warranties made shall at any time hereafter be found to have been incorrect in any material respect then and in such event and notwithstanding anything to the contrary hereunder the Bank shall have the right at its absolute discretion and subject to Shariah to review, suspend or terminate the Facility.

9. COVENANTS

9.1 Affirmative Covenants

The Customer undertakes with the Bank that until all his/her/its/their liabilities and obligations hereunder and until the Facility have been discharged, the Customer shall undertake all undertakings that are set out in [Schedule 5](#) herein.

9.2 Negative Covenants

The Customer hereby covenants with the Bank that from the date of this Agreement until all his/her/its/their liabilities and obligations hereunder and under the other Security Documents have been discharged, the Customer shall not without the written consent of the Bank first had and obtained do any matters that are set out in [Schedule 6](#) herein.

10. CHANGES IN CIRCUMSTANCES

10.1 Illegality

If by reason of any change after the date of this Agreement in applicable law regulation or regulatory requirement or in the interpretation or application thereof (including the interpretation or application of Shariah and/or the

relevant Shariah concepts) by any governmental or other authority charged with the administration thereof (including, where applicable, the Shariah Advisory Council of BNM and Shariah Committee of the Bank respectively) whereby it shall become unlawful or constitute an irregularity for the Bank to comply with its obligations hereunder or to continue to make available the Facility, the Bank shall promptly inform the Customer of the relevant circumstances whereupon:

- (a) the Bank's obligation (if any) in respect of any future availability of the Facility shall forthwith be terminated and the Facility shall be cancelled to such extent; and
- (b) the Customer shall upon being so notified, be obliged to forthwith upon demand refund to the Bank all monies paid to the Customer together with any other monies covenanted to be paid by the Customer under and in relation to this Agreement.

10.2 Notification

Any notification by the Bank concerning any of the matters referred to in **Clause 10.1** above shall, save for any manifest error be conclusive and binding on the Customer.

10.3 Force Majeure and/or Delay

- (a) The Bank shall not be liable for any failure in performing any of their obligations hereunder or any claim in respect of any loss, damage or injury to earnings, profit, goodwill or business caused directly or indirectly or 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, accident, explosion, casualty, lockout, riot, civil disturbance, act of public enemy, natural catastrophe, embargo, war or act of God.
- (b) Notwithstanding anything to the contrary in this Agreement or any other document or in any law, the Bank shall not be liable in any manner whatsoever (and whether in law or in equity or otherwise) and under any circumstances whatsoever to any Security Party or any other person whosoever for any delays whatsoever:
 - (i) in the preparation, execution or perfection of any of the Security Documents;
 - (ii) in the satisfaction of any of the conditions for the disbursement / utilisation of the Facility or any part thereof;
 - (iii) in the disbursement/ utilisation of the Facility or any part thereof;
 - (iv) in effecting or otherwise in connection with any indulgence (including but not limited to the release or discharge of any document or security) agreed to be extended, granted or permitted by the Bank to the Customer or any other Security Party or any person whomsoever whether providing security for

the Facility or otherwise; or

- (v) in the preparation, issue, execution, delivery, submission, perfection or registration of any redemption statement, undertaking, release, reassignment, discharge or other document or instrument whatsoever in relation to the redemption, release, reassignment or discharge of any security under the Security Documents;

howsoever caused (including but not limited to by reason of any negligence or default on the part of the Bank) or for any and/or all consequences arising from any such delay (including but not limited to any loss or damage whatsoever howsoever arising from any such delay which may be incurred or suffered by any Security Party or any other person whomsoever).

11. EVENT OF DEFAULT

11.1 Event of Default

If at any time and for any reason, whether within or beyond control of the Customer, any one (1) of the events set out in the **Schedule 7** occurs then, at once or at any time thereafter, the Bank may, by notice to the Customer, declare that an Event of Default has occurred and simultaneously or at any time thereafter, irrespective of whether any event mentioned herein is continuing, the Bank may by written notice to the Customer:

- (a) declare this Agreement to be terminated;
- (b) declare the Settlement Amounts together with any sum then payable by the Customer under the Security Documents to be immediately due and payable; and
- (c) declare the security created by the Security Documents to immediately become enforceable.

11.2 Remedies of the Bank

Upon demand and/or the occurrence of any Event of Default, the Bank shall be entitled to exercise such rights that are available to it under the Security Documents and/or at law including any of the following rights and powers:

- (a) the right to enter and take possession of the Property or any part or parts thereof and if permissible under any of the Land Act, to be registered as the Proprietor thereof;
- (b) the right and power to sell and assign the Property by public auction or private treaty as the absolute and unencumbered owner thereof at such price or prices and in such manner as the Bank shall in its absolute discretion deem fit free from any interest of the Customer hereunder or otherwise and the right to bid at any such sale;
- (c) the right to sue and institute by way of a civil suit or action for the

recovery of the Settlement Amounts whether before first realized the Property or otherwise or concurrently with any of the other rights and remedies of the Bank herein or at law;

and the Customer shall and hereby expressly agree covenant and undertake to do and execute or cause the Security Party as the case may be, to do and execute all acts, deeds, instruments and things which the Bank may require or stipulate for the purpose of effecting and/or completing anything and/or any transaction mentioned in this **Clause 11.2** hereof.

11.3 Enforcement of Security

At any time after the occurrence of the Event of Default, the Bank shall be entitled (but not obligated) to enforce its remedies under the Security Documents.

11.4 Concurrent Remedy

Notwithstanding any provision hereof, it is hereby expressly agreed that upon occurrence of an Event of Default, the Bank shall thereafter have the right to exercise all or any of the remedies available under this Agreement and any Security Documents or by law statute or otherwise and shall be entitled to exercise such remedies concurrently, including pursuing all remedies available under and pursuant to the security documents and/or Security Documents and/or civil suit and/or pursuant to any statute or otherwise to recover amount due and owing by the Customer to the Bank. In the event the Bank does not wish to exercise such remedies concurrently the Bank shall be entitled at its discretion to institute civil suits against the Customer or any party providing security to recover all monies outstanding or to dispose of or realise any security herein provided.

11.5 Bank's Right to Commence Foreclosure And Legal Proceedings Concurrently

Notwithstanding any provision hereof, it is hereby expressly agreed that upon default or breach by the Customer of any term, covenant, stipulation and/or undertaking herein provided and on the part of the Customer to be observed and performed, the Bank shall thereafter have the right to exercise all or any of the remedies available whether by this Agreement or the other Security Documents or by statute or otherwise and shall be entitled to exercise such remedies concurrently, including pursuing all remedies of sale or possession, all rights of set-off, to collect the proceeds of all assignments and to give good and valid discharge therefore and to commence legal proceedings by way of a civil suit or otherwise to recover the Indebtedness due and owing to the Bank.

12. **PROCEEDS**

12.1 Application of Proceeds

If after the security created hereunder becomes enforceable or upon a declaration of an Event of Default, all monies received by the Bank from any proceeding instituted or step taken under any of the Security Documents shall (subject to the payment of debts which by law have priority, if any), be applied

by the Bank:

- (a) firstly, in or towards payment to quit rent, rates, taxes, assessments and other outgoings due to the Government;
- (b) secondly, in or towards payment of all costs charges and expenses incurred and payments made by the Bank under the provisions of all or any of the Security Documents and any other taxes payable under any written law for the time being in force on the disposal of the Property;
- (c) thirdly, in or towards payment to the Bank of the Settlement Amounts or any part thereof remaining unpaid under the Facility including any late payment compensation charges;
- (d) fourthly, in or towards payment to the Bank of all other moneys due and remaining unpaid under the Security Documents or any related documents;
- (e) fifthly, in or towards any payment to the Bank of the Customer's liabilities to the Bank (whether such liabilities be present, future, actual, contingent, primary, secondary, collateral, secured or unsecured, several or joint) under any accounts of whatsoever nature, agreement or contract or otherwise with the Bank and all such monies available under this premise are specially held in trust for the Bank for the satisfaction of liabilities; and
- (f) sixthly, any surplus shall be paid to such persons entitled thereto.

12.2 Deficiency in Proceeds

Without prejudice to the rights of the Bank under this Agreement, if the amount realised by the Bank on the sale or application of the properties or assets to Security Interests to the Bank pursuant to **Clause 12.1** hereof, after deduction and payment from such sale of all fees, costs, charges and other outgoing arising out of such realisation is less than the amount due to the Bank and whether at such sale the Bank is the purchaser thereof or otherwise, the Customer shall on demand pay to the Bank, the difference between the amount due to the Bank and the amount so realised and until payment of such differential amount, the Customer shall pay late payment compensation charges on the differential sum until the date of actual payment made.

13. **LATE PAYMENT CHARGES**

13.1 Ta'widh (compensation)

- (a) Notwithstanding anything contained in this Agreement, the Customer hereby agrees, covenants and undertakes to pay late payment charges including ta'widh (compensation) to the Bank for any actual loss incurred by the Bank due to the Customer's delay or default in paying any Monthly Payment(s)

when it becomes due or any other amount payable by the Customer to the Bank under this Agreement as follows:

- (i) for default in payment during the Tenure, 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 balance of Monthly Payments from the due date for payment of such Monthly Payment until the date when payment is received by the Bank;
- (ii) for default in payment during the Tenure, where such default causes the entire Facility 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' ("Outstanding Balance"), from the date the entire Facility is terminated until the date the Outstanding Balance is received by the Bank or the judgment is obtained, whichever is earlier; and
- (iii) for default in payment beyond the Tenure, 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 Balance is received by the Bank;

subject always to Ibra' wherever applicable, in accordance with the methods and formula as set out in the Letter of Offer or such other methods and formula adopted by the Bank and approved by BNM.

- (b) The accumulated ta'widh (compensation) shall not exceed one hundred percent (100%) of the outstanding Bank's Purchase Price.

13.2 Statement of Account

A statement of account in writing stating the Total Amount Due and Payable by the Customer under the Facility and/or under the Security Documents and indication as to how such amount has been calculated and duly certified by any authorised officer of the Bank shall in the absence of manifest error be conclusive evidence that such amount is in fact due and payable by the Customer including for the purpose of legal proceedings.

14. **PAYMENTS**

14.1 Payment Clear From Deduction

All payments to be made herein shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim and in immediately available and transferable funds for the Assets value on the due date thereof.

14.2 All Payments Received to be Payment in Gross

All monies 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 created by this Agreement and Security Documents or any security or otherwise for the purpose of being applied in the reduction of the account of the Customer or of the monies covenanted to be paid as hereinbefore provided 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 monies covenanted to be paid even if appropriated thereto by the Bank. All securities 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 securities or to any part thereof unless and until the Bank has received the full amount owing to the Bank by the Customer.

14.3 Withholding

All payments by the Customer under this Agreement and/or the Security Documents 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 deduction or withholding is required by law, in which event the Customer shall:

- (a) ensure that the deduction or withholding does not exceed the minimum amount legally required;
- (b) forthwith pay to the Bank such additional amount so that the net amount received by the Bank will equal the full amount which would have been received by it had no such deduction or withholding been made;
- (c) pay to the relevant taxation or other authorities within the period for payment permitted by applicable law the full amount of the deduction or withholding (including, but without prejudice to the generality of the foregoing, the full amount of any deduction or withholding from any additional amount paid pursuant to this clause); and
- (d) furnish to the Bank, within the period for payment permitted by the applicable law, either:
 - (i) an official receipt of the relevant taxation authorities in respect of all amounts so deducted or withheld as aforesaid; or
 - (ii) if such receipts are not issued by the relevant taxation authorities on payments to them of amounts so deducted or withheld, a certificate of deduction or equivalent evidence of the relevant deduction or withholding.

15. **INDEMNITY**

15.1 Indemnity

- (a) The Customer shall at all times fully indemnify and keep the Bank including any of its agents, employees or representatives indemnified against all and

any action, proceeding, claim, expense, loss, damage or liability which the Bank may incur as a consequence of or arising from or connected to the Customer's control, possession or use of the Assets, including but not limited to any damage or injury to persons or property and the costs and liabilities arising from such claims.

- (b) The Customer shall at all times fully indemnify and keep the Bank including any of its agents, employees or representatives indemnified against any action, proceeding, claim, expense, loss, damage or liability (as to the amount of which a certificate of the Bank, shall in the absence of manifest error, be conclusive and binding upon the Customer) which the Bank may incur as a consequence of any Event of Default or otherwise in connection with this Agreement or the Security Documents or other related documents unless such expense, loss, damage or liability is attributable to the wilful default, gross negligence or fraud of the Bank.
- (c) Any certificate issued by the Bank in connection with the above shall, in the absence of manifest error, be conclusive.
- (d) Without prejudice to its generality, the foregoing indemnity shall extend to any expenses, fees (including legal fees on solicitors and client basis) or other sums whatsoever paid or payable in connection with the enforcement of any of the rights of the Bank under this Agreement and the Security Documents.

15.3 Indemnities Separate

The foregoing indemnities shall constitute obligations of the Customer, separate and independent from its other obligations under this Agreement, and shall give rise to separate and independent causes of action against the Customer.

16. **EXPENSES**

16.1 Expenses

The Customer shall on demand pay to the Bank and bear from time to time all whatsoever, costs, fees and charges, expenses, taxes and other moneys in any way connected with or arising out of the Facility and/or the Security Documents from time to time including but not limited to all costs, fees and charges, expenses, taxes and other moneys whatsoever including but not limited to:

- (a) all expenses, in each case on the basis of a full indemnity, including:
 - (i) legal and out-of-pocket expenses incurred by the Bank in connection with the negotiation, preparation or completion of the Security Documents and any related documents;
 - (ii) the charges of the Bank's valuers, appraisers, estate agents and auctioneers;
 - (iii) quit rent, assessment, rates, taxes, drainage charges, sewerage charges, takaful contributions, sinking fund

payments and other outgoings, service charges, maintenance fee, charges and payments whatsoever that may be payable in respect of any property which is the subject matter of any Security Document incurred or expended by the Bank in the negotiation, preparation, execution, completion, stamping, registration and/or perfection and/or discharge and/or release of any of the Security Documents and/or any security and/or in the collection of any moneys due or becoming due under the Security Documents and/or in enforcing and/or preserving any of the security and/or any of the rights under the Security Documents and/or in connection with or arising out of any variation or review of the Facility by the Bank and/or otherwise in connection with the Facility and/or the Security Documents or for or on behalf of or for the account of any Security Party irrespective of whether or not the Facility is utilised, suspended or cancelled;

- (b) any expenses covenanted to be paid by the Customer under this Agreement which are paid by the Bank on behalf of the Customer and form part of the indebtedness herein;
- (c) all costs, charges, expenses, taxes and moneys referred to in this Agreement and any of the provisions of the Security Documents or otherwise howsoever incurred hereunder by the Bank and payable by the Customer to the Bank on demand from time to time; including any expenditure incurred in the preservation and/or enforcement of this Agreement and the other Security Documents and any documents related thereto or in the giving of any notice or in the making of any demand, under or pursuant to or in respect of this Agreement; and
- (d) all other monies whatsoever agreed to be paid by any Security Party under any of the provisions of the Security Documents which are not paid may be paid by the Bank without any obligation so to do upon the failure of any Security Party to do so in respect of the said costs, charges, expenses and expenditure or otherwise howsoever and all or any sums of monies paid or expended by the Bank under or pursuant to the provisions of the Land Act, this Agreement and the other Security Documents and any documents related thereto express or implied, shall be debited to the Customer's accounts and payable by the Customer to the Bank on demand calculated from the date it is due until full payment.

16.2 Stamp duty

The Customer shall pay all stamp, documentary and other similar duties and taxes to which this Agreement, the Security Documents or any related documents may be subject and shall fully indemnify the Bank from and against any expense, damage, loss or liability which any of them may incur as a result of any delay or omission by the Customer to pay such duties.

17. ASSIGNMENT AND TRANSFER

17.1 Benefit of Agreement

- (a) The Bank shall be entitled after giving due notice to the Customer, to assign its rights under this Agreement or any part thereof and/or transfer its obligations under this Agreement or any part thereof, and
- (i) for this purpose may disclose to a potential assignee or transferee or any other person who derives or may derive rights or obligations under or by reference to this Agreement such information about the Customer and/or Security Party as shall have been made available to the Bank;
 - (ii) where the Bank transfers its obligations or any part thereof, the Customer and/or Security Party shall execute such documents as are reasonably necessary to release the Bank to the extent of the transfer and join the transferee as a party hereto; and
 - (iii) where the Bank transfers all its obligations and rights hereunder the Customer shall thereafter deal solely with the transferee with respect to payments, notices and other matters relating to the administration of this Agreement.
- (b) All costs and expenses incurred by the Bank and/or the assignee/transferee pursuant to or incidental to such assignment/transfer shall be payable by the Customer.

17.2 No Transfer by Customer

The Customer shall not assign any of its rights and/or benefits and/or transfer any of its obligations under this Agreement and/or under the Security Documents to which it is a party or any part thereof without the prior written consent of the Bank.

18. GOVERNMENT ACQUISITION

In the event that the Property or any part thereof shall at any time become the subject matter of or be included in any notice, notification or declaration concerning or relating to acquisition by government or any government authority or any enquiry or proceeding in respect thereof, the Customer shall forthwith inform the Bank of the same and shall forward to the Bank a copy or copies of any such notice, notification or declaration as soon as the same shall be delivered to or served on the Customer. In addition and without prejudice to the Representation and Warranties under **Schedule 4** herein, the Bank shall be entitled at the expense of the Customer to engage such advisers and agents (including solicitors and valuers) as it may think fit for the purpose of appearing or attending at or advising upon any enquiry or proceeding affecting, concerning or relating to any such acquisition. All monies received as or by way of compensation for any such acquisition of the Property or any part thereof shall be applied in or towards the settlement of

the Monthly Payments or any part or parts thereof and the Customer shall and hereby declare that the Customer shall hold all monies if paid to and so received by the Customer in trust for the Bank and the Customer agree and confirm that the Bank may receive and give a good discharge for all such monies. In the event of all such monies aforesaid being less than the Settlement Amounts due to the Bank, the Customer shall forthwith pay to the Bank difference between the amount due and the amount so received.

19. FURTHER PROVISIONS

19.1 Evidence of Indebtedness

For all purposes, including any legal proceedings relating to this Agreement and the Facility, a statement as to any amount due to the Bank which is certified as being correct by an authorized officer of the Bank or its solicitors shall, in the absence of manifest error, be conclusive evidence that such amount is in fact due and payable.

19.2 Discharge of Indebtedness

Subject always to the Bank's right of consolidation, it is hereby agreed that on the satisfaction by payment or otherwise of the whole of the Indebtedness due under this Agreement and the other Security Documents all the provisions herein contained shall cease to be of any effect but without prejudice to the Bank's rights and remedies against the Customer in respect of any antecedent claim or breach of covenant.

19.3 Reconstruction

The liabilities and/or obligations created under this Agreement and/or Security Documents shall continue to be valid and binding for all purposes whatsoever notwithstanding any change by amalgamation reconstruction or otherwise which may be made in constitution of the Bank and similarly the liabilities and/or obligations created by this Agreement shall continue to be valid and binding for all purposes whatsoever notwithstanding any change by amalgamation reconstruction or otherwise howsoever in the constitution of the Customer or any party providing security and it is expressly declared that no change in any manner or of any sort whatsoever in relation to or affecting the Customer or the party providing security shall in any way affect the security liabilities and/or obligations created hereunder in relation to any transaction whatsoever whether past present or future.

19.4 Rights cumulative, waivers

The rights of the Bank under this Agreement are cumulative, may be exercised as often as the Bank consider it reasonably appropriate and are in addition to the Bank's other rights under any applicable law. The rights of the Bank in relation to the Facility (whether arising under this Agreement or under any applicable law) shall not be capable of being waived or varied otherwise than by an express waiver or variation in writing. No failure or delay in exercising nor any omission to exercise any rights power privilege or remedy accruing to the Bank under this Agreement or any security in favour of the Bank upon any breach of the Customer shall impair any such right power

privilege or remedy or be construed as a waiver thereof or any acquiescence in any breach, nor shall any action by the Bank in respect of any default or any acquiescence in any breach, affect or impair any such right, power privilege or remedy of the Bank in respect of any other or subsequent breach.

19.5 Valuation of the Property

- (a) The Bank shall be entitled to carry out or to require the Customer to carry out, at the cost and expense of the Customer, a valuation or a revaluation of the Property or any property of any Security Party which is offered by the Security Party as security to the Bank in respect of the Facility or which is the subject matter of any Security Document by any of the valuers on the Bank's panel:
- (i) at any time prior to the disbursement of the Facility Amount. If the valuation report confirms that the open market value or any other value of the Property as may be required by the Bank in its absolute discretion is less than the Contract Price, the Bank shall be entitled at its sole discretion to revise the Facility but which shall be ascertained prior to execution of this Agreement and notified to the Customer accordingly and impose any further conditions which shall likewise be ascertained as aforesaid as the Bank may require prior to the disbursement of the Facility Amount.
- (ii) from time to time as and when it deems fit.
- (b) Any determination of the Bank as to the value of or attributable to any property of any Security Party which is offered by the Security Party as security to the Bank in respect of the Facility or which is the subject matter of any Security Document shall be binding and conclusive on the Customer.

19.6 Application of Malay Reservation Enactments

For the avoidance of doubt it is hereby agreed and declared that this Agreement is entered into for the purpose of and in order to effect the financing transaction in accordance with the Shariah concept of Bai 'Inah and in the event that the provisions of the Land Act or any Malay Reservation Enactments of the States of Peninsular Malaysia shall become applicable or would be contravened in the process unless an approval of a Ruler in Council or any other approval under the Land Act is obtained or become necessary, it shall be the sole responsibility of the Customer to obtain such approval or to procure the owner of the Property to obtain such approval prior to the execution of the Security Documents and the Customer hereby undertakes with the Bank to obtain or cause to obtain or to procure the owner of the Property to obtain such approval prior to the disbursement of the Facility Amount.

19.7 Time

Time shall be the essence of this Agreement.

19.8 Notices and Communications

- (a) Any notice or communication under or in connection with this Agreement shall

be in writing and shall be delivered personally, or by post or facsimile to the addresses set out in this Agreement or at facsimile numbers or at such other address or facsimile number as the recipient may have notified to the other Party hereto in writing. Proof of posting or dispatch of any notice or communication shall be deemed to be proof of receipt:

- (i) if it is personally delivered, at the time of delivery and duly acknowledged;
 - (ii) in the case of a letter sent by post, on the third (3rd) Business Day after posting;
 - (iii) in the case of telex or cable, on the Business Day immediately after transmission;
 - (iv) in the case of a facsimile, on the Business Day immediately after transmission provided that the sender has received an answer back confirmation and has sent a copy by post confirming the facsimile transmission;
 - (v) if by way of electronic mail or messages, when actually received in readable form and only if it is addressed in such a manner as the Bank shall specify for this purpose.
- (b) Where there are 2 or more persons comprised in the expression "Customer":
- (i) any certificate, statement, notice, demand or other communication given or required to be given to the Customer hereunder and/or in respect of the Facility which is given by the Bank to any one or more of such persons shall be deemed to be given to and shall be binding on all such persons as though such certificate, statement, notice, demand or other communication had been given to all such persons; and
 - (ii) the Bank shall be entitled (but not bound) to treat any certificate, statement, notice, demand or other communication given or required to be given to the Bank hereunder and/or in respect of the Facility which is given to the Bank by any one or more of such persons as having been given by all such persons whereupon such certificate, statement, notice, demand or other communication shall be deemed to have been given by and shall be binding on all such persons as though such certificate, statement, notice, demand or other communication had been given by all such persons;

and the Customer hereby confirms and declares that each such person is individually authorised to receive and/or give any and all such certificates, statements, notices, demands or other communications from and/or to the Bank on behalf of all such persons.

19.9 Service of legal process

- (a) The service of any legal process pursuant to any rules of High Courts or rules of the Subordinate Courts and any courts of competent jurisdiction may be given by prepaid registered or ordinary post sent to the respective address of the parties provided herein and such legal process shall be deemed to have

been duly served after the expiration of five (5) Business Days from the date it is posted and if delivered by hand, on the day it was delivered.

- (b) No change in the address for Service howsoever brought about shall be effective or binding on the Bank unless the Customer has given to the Bank actual notice of the change of the address and nothing done in reliance on **Clause 19.9(a)** above shall be affected or prejudiced by any subsequent change in the address for which the Bank has no actual knowledge of at the time the act or thing was done or carried out.

19.10 Modification and indulgence

The Bank may at any time, without in any way affecting this Agreement:

- (a) grant to the Customer or any Security Party or any surety any time or indulgence; and/or
- (b) renew any bill, notes or any negotiable securities; and/or
- (c) deal with, exchange, release or modify or abstain from perfecting or enforcing any securities or other guarantees or rights it may now or at any time hereafter or from time to time have from or against the Customer or any Security Party or any other person; and/or
- (d) compound with the Customer or any Security Party or any other person or surety; and/or
- (e) enter into any deed of composition with the Customer, security party, guarantor or any other person.

19.11 Variation of terms

It is hereby expressly agreed and declared by the parties hereto that notwithstanding any of the provisions of this Agreement to the contrary, the provisions and terms of this Agreement may at any time and from time to time subject to Shariah be varied or amended by the Bank by means of exchange of letters or such other means as the Bank deems fit from time to time and thereupon such amendments and variations shall be deemed to become effective and the relevant provisions of this Agreement shall be deemed to have been amended or varied accordingly and shall be read and construed as if such amendments and variations have been incorporated in and had formed part of this Agreement at the time of execution hereof.

19.12 Disclosure of information

- (a) Without limiting the subsequent provisions of this **Clause 19.13**, the Bank may at any time, disclose to any person who may, in the Bank's absolute discretion, require such information or access thereof any documents or records of, or information about the Security Documents or assets or affairs of the Customer (including his/their account or future account with the Bank) whether or not confidential and whether or not the disclosure would be in breach of any law or of any duty owed to the Customer provided that in respect of documents, records or information which the Customer has informed the Bank to be confidential, the person receiving such information from the Bank may be required to undertake to maintain the confidentiality of documents, records or information received.

- (b) The Customer hereby irrevocably consents for the Bank to disclose any documents or records of, or information about the Security Documents, the Facility, or the assets, or affairs of the Customer, whether or not confidential and whether or not the disclosure would be in breach of any law or of any duty owed to the Customer:
- (i) to the Central Credit Unit, Biro Maklumat Cek, Bank Negara Malaysia, any Governmental Agency or such other authority having jurisdiction over the Bank; or
- (ii) to the Bank's auditors, legal counsel and other professional advisers; or
- (iii) to the Security Party; or
- (iv) to Dishonoured Cheques Information System (DCHEQS); or
- (v) to any branch, subsidiary or parent company of the Bank and to any companies within the group of companies; or
- (vi) for or in connection with any legal action, suit or proceedings relating to the Facility or security; or
- (vii) to any third party, if required by any law, regulation or by-law; or
- (viii) to any party pursuant to any arrangement, composition, restructuring or any proposed arrangement, composition or restructuring between the creditors of the Customer; or
- (ix) pursuant to any subpoena or other legal provisions; or
- (x) pursuant to any law; or
- (xi) to any person, body authority, credit bureau and/or agency as the Bank deems proper.
- (c) The Bank may disclose to any person who derives or may derive rights or obligation under or by reference to the Security Documents (including but not limited to an assignee or transferee or prospective assignee or transferee) such information about the Customer in relation to the Facility or the Security Documents as shall have been made available to the Bank generally.
- (d) The Customer acknowledges and agrees that the permission given under this **Clause 19.13** is for the purposes of Section 146(1) of the Islamic Financial Services Act, 2013 and that no further consent from the Customer is required for the purposes of this **Clause 19.13**.

19.13 Bank Negara Malaysia

The Facility shall be at all times governed by such rules, regulations and/or directives (whether or not having the force of law) required or imposed upon the Bank from time to time and at any time by BNM or any other authority having jurisdiction over the Bank.

19.14 Currency

All sums of money herein offered and to be received by the Bank shall be in Ringgit Malaysia.

19.15 Suspense account

Any money received hereunder or any of the Security Documents may be

placed and kept to the credit of a non-income bearing suspense account for so long as the Bank thinks fit without any obligation in the meantime to apply the same or any part thereof in or towards discharge of any money or liabilities due or incurred by the Customer to it. Notwithstanding any such payment in the event of any proceedings in or analogous to bankruptcy, liquidation, 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 monies and liabilities in the same manner as if the securities herein created had not been created and no monies or dividends so received by the Bank shall be treated as received in respect of this Agreement and the other Security Documents, but the full amount hereby secured shall be payable by the Customer until the Bank shall have received from all sources all outstanding amount against the Customer. After the Bank has received such ultimate balance in full, any claim on the part of the Customer to any excess or any securities remaining with the Bank shall be a matter of adjustment between the Bank and the Customer and any other person or persons laying claim thereto.

19.16 Right to Set-Off or Consolidate Accounts

- (a) It is hereby expressly agreed and declared that unless the Bank otherwise agrees any Security whether given now or hereafter shall not be discharged or released except on payment of not only all monies secured hereby but also all monies whatsoever and howsoever owing or payable or due from the Customer to the Bank (whether such liability be present, future, actual, contingent, primary, secondary, collateral, secured or unsecured, several or joint) under any other account or accounts of whatsoever nature (whether current, deposit or financing account), agreement or contract or otherwise with the Bank.
- (b) Without prejudice to any other remedies which the Bank may have, the Bank shall have the right at its sole and absolute discretion to:
 - (i) withhold, combine, consolidate or merge any or all accounts of the Customer with the Bank of whatsoever nature (whether current, deposit or financing account), at any branch of the Bank with any liabilities of the Customer (whether such liability be present, future, actual, contingent, primary, secondary, collateral, secured or unsecured, several or joint) under any account (whether current, deposit or financing documents), or contract or otherwise with the Bank; and
 - (ii) upon the Bank giving seven (7) calendar days' prior written notice to the Customer, debit, transfer and/or set-off from any account of the Customer with the Bank wheresoever situate (whether current, deposit, financing or of any other nature whether in Ringgit or any other currency), any available balance or any sum (standing to the credit of any such accounts, agreement or contract in or towards the satisfaction of the total Monthly Payments and/or the indebtedness of the Customer.
- (c) Such right shall be exercised by the Bank at its discretion following an occurrence of an Event of Default and it is hereby agreed and declared that

the Customer shall not be entitled to require the release of any security provided to the Bank except on payment by the Customer to the Bank of not only all monies referred to herein but also all monies whatsoever or howsoever payable or due from the Customer to the Bank under any other account whether as a customer, guarantor or security provider.

- (d) If the Property is put up for sale by way of auction pursuant to the provisions herein contained or the provision of the National Land Code 1965 or otherwise, the Bank shall be entitled to set off the unpaid total Monthly Payments and any other monies owing to the Bank against any monies payable by the Customer as the purchaser at such sale in the event the Bank exercising its rights under this Agreement or the National Land Code 1965, as the case may be, to bid at such sale.

19.17 Terms of Letter of Offer Incorporated

The Letter of Offer which has been duly accepted by the Customer shall form part of this Agreement. Unless otherwise stated, all references, terms, conditions and provisions as set out in the Letter of Offer which are not specifically stated in this Agreement are incorporated herein whether or not repeated herein and shall form part of this Agreement and shall be binding upon the parties hereto and their successor-in-title and assigns of the Bank and successors in title of the Customer. Subject to such alterations or variations where necessary to make the provisions of the Letter of Offer consistent with the provisions of this Agreement, in the event of any conflict or discrepancy between the provisions of the Letter of Offer and this Agreement, the provisions of this Agreement shall prevail for the purpose of interpretation and enforcement of this Agreement.

19.18 Additional Terms and Conditions

The Facility hereby granted shall be further subject to specific covenants and additional terms and conditions as set out in **Schedule 8** herein (if any).

19.19 No Inference of Condonation or Acquiescence

Notwithstanding the fact that the Bank may not have exercised any remedy available to it immediately on default by the Customer or that it may have accepted monies from the Customer or any of the Security Party after such default the Bank shall not be held to have condoned or acquiesced in such default and may at any time thereafter exercise all or any of the remedies available to it and any delay on the part of the Bank in taking steps to enforce the remedies conferred on or available to it by this Agreement and the other Security Documents or statute shall not be held to prejudice its right of action in respect thereof.

19.20 Successors bound

This Agreement shall be binding upon the successors-in-title of the Customer and on the successors-in-title and assigns of the Bank.

19.21 Involuntary Loss

The Bank shall not be answerable for any involuntary loss happening in or about the exercise or execution of any power, right, privilege and remedy conferred on the Bank by this Agreement, and the other Security Documents or by law.

19.22 Enforcement of this Agreement

This Agreement is in addition to and not in substitution of any other rights or securities which the Bank may have from or against the Customer or under any of the Security Documents and may be enforced in accordance with the terms hereof without first having recourse to any of such other rights or securities and without taking any steps or proceedings against any Security Party as aforesaid.

19.23 Avoidance of Payments

No assurance, security or payment which may be avoided under any law relating to bankruptcy and no release, settlement or discharge given or made by the Bank on the faith of any such assurance, security or payment, shall prejudice or affect the Bank's rights to recover from the Customer the monies hereby owing to the full extent hereunder. Any such release, settlement or discharge shall be deemed to be made subject to the condition that it will be void if any payment or security which the Bank may previously have received or may hereafter receive from any person in respect of the monies hereby owing is set aside under any applicable law or proves to have been for any reason invalid.

19.24 Further Assurance

The Customer shall from time to time and at any time, whether before or after this Agreement or any of the Security Documents shall have become enforceable, execute and do or cause to be executed and done all such transfer, assignments, assurances, charges, debentures, instruments, documents, acts and things as the Bank may reasonably require for perfecting the security intended to be hereby constituted and for facilitating the realisation of the Property charged or to be charged to the Bank and the exercise by it of all the powers, authorities and discretion which the Bank may think expedient. For such purposes a certificate in writing signed by or on behalf of the Bank to the effect that any particular transfer, assignment, assurance, charge, debenture, instrument, document, act or thing required by it is reasonably required by it shall be conclusive evidence of the fact.

19.25 Central Credit Reference (if applicable)

- (a) BNM has established a Central Credit Bureau (the "Bureau") to collect information from banks for inclusion into a Central Credit Reference Information System ("CCRIS") regarding the credit/financing facilities which they grant to their customers to enable participating banks (of which the Bank is one), who are approached for credit/financing facilities by a customer, to be informed by the Bureau of the aggregate credit facilities granted to that customer by other banks.

- (b) The information is kept strictly in confidence between the Bureau and all participating banks and it is a term of the Facility offered herein that information regarding it shall be given to the Bureau for the use of the Bureau and the participating banks.
- (c) CCRIS is part of BNM's on-going efforts to improve the credit approval process. The information held will enable participating banks to obtain customer's credit information for credit evaluation purposes. The Bank as a participant in this programme will also be providing such credit information to CCRIS. Information disclosed may also extend to guarantors details of which the Customer may have provided, to secure credit facilities granted by the Bank.
- (d) As a participating bank, the Bank has taken all the necessary steps to ensure that the information provided to CCRIS is both timely and accurate. Nonetheless, the Bank and its officers shall not in any event be liable to the Customer, other credit applicants or any third party (including Securities Parties of the Facilities) for any claim, loss or damage, direct or indirect howsoever arising from any reliance placed on the information provided to CCRIS and irrespective of the nature of any erroneous content.

19.26 Cross-Default

The Customer hereby expressly agrees that if any sums shall be due from the Customer to the Bank from time to time or at any time or if the Customer may be or becomes liable to the Bank anywhere on banking account or any other account current or otherwise in any manner whatsoever or if default is made in any provisions of such accounts or in any other banking facilities granted by the Bank to the Customer or in any of the provisions herein contained or therein contained in the other Security Documents, then and on such event, the Indebtedness together with all monies payable under such accounts or other banking facilities aforesaid shall immediately become due and payable and the security herein become immediately enforceable.

19.27 Appropriation

The Bank shall be entitled at its absolute discretion to utilize any moneys received by it to account of any payments to be appropriated in any manner howsoever as it shall deem fit.

19.28 Regulatory Compliance

The Customer acknowledges and agrees that the Bank is subject to the supervision of, and/or governed by, and/or subject to any rules, regulations, guidelines and/or any other form of directives from, Bank Negara Malaysia ("BNM"), Association of Banks in Malaysia ("ABM"), Cooperative Commission of Malaysia and/or any other regulatory bodies having authority over the Bank. The Bank shall have the right to vary this Agreement to give effect to any such rules, regulations, guidelines and/or any other form of directives from Bank Negara Malaysia ("BNM"), Association of Banks in Malaysia ("ABM"), Cooperative Commission of Malaysia and/or any other regulatory bodies having authority over the Bank. This right of variation on the part of the Bank shall be in addition and not in derogation of any other right of variation on the part of the Bank under this Agreement.

19.29 Expenditure Incurred by the Bank for and on behalf of the Customer

All moneys expended by the Bank hereunder from time to time for and on behalf of the Customer (relating to takaful/insurance, quit rent, premium, assessment, rates, taxes, repairs, valuation reports, legal costs, stamp duties, registration fees and all other outgoings including any expenses incurred by the Bank in visiting, inspecting or reporting on the business of the Customer by the Bank's agents and or consultants) shall be recoverable and be paid by the Customer on demand by the Bank. In default of such payment, such moneys shall be deemed to form part of the Indebtedness and to be secured accordingly hereunder and the account of the Customer shall be debited accordingly.

19.30 Trademarks and Trade Names

Unless otherwise permitted in writing to do so, the Customer shall not use in its corporate, firm or business name or otherwise or allow to be used by others, in so far as it may have any power to prevent such use, the name of the Bank or any other trade name or trademark adopted by the Bank, or any words or names, or combination of words or names closely resembling any of them. Upon the expiration or termination of this Agreement in accordance with its terms, the Customer forthwith shall discontinue the use of any such name and of any other name or names or any combination of words or designs or trademarks or trade names that would indicate or tend to indicate that the Representative was or is a representative of the Bank for the Services/Projects/Business in the territories.

19.31 Relaxation Wavier Etc

- (a) No relaxation forbearance delay or indulgence by the Bank in enforcing any of the terms and conditions of this Agreement or the Security Documents defined herein nor the granting of time by the Bank to the Customer shall prejudice affect or restrict the rights and powers of the Bank hereunder nor shall any waiver of any breach thereof operate as a waiver of any subsequent breach thereof.
- (b) Neither this Agreement nor any of the documents referred to in the Security Documents defined herein may be amended changed modified varied waived discharged or terminated orally but only by a statement in writing signed by the Bank and then any such amendment change modification waiver discharge or termination shall be effective only in the specific instance and for the specific purpose for which it was given.
- (c) Notwithstanding the fact that the Bank may not have exercised any remedy available to it immediately on default by the Customer or that the Bank may have accepted moneys from the Customer after such default the Bank shall not be held to have condoned or acquiesced in such default and may at any time thereafter exercise all or any of the remedies available to it and any delay on the part of the Bank in taking steps to enforce the remedies conferred on or available to it by this Agreement or the documents referred to in the Security Documents defined herein or by statute or otherwise shall not be held to prejudice its rights of action in respect thereof.

19.32 No payment of interest

For the avoidance of doubt and notwithstanding any other provision to the contrary herein contained, it is hereby agreed and declared that nothing in this Agreement shall oblige any party hereto nor shall any party be entitled to pay interest (by whatever name called) on any amount due or payable to any of the other parties hereto or to receive any interest on any amount due or payable to such party.

19.33 Schedules

All the [Schedules](#) hereto shall be taken read and construed as integral parts of this Agreement.

20. **LAW APPLICABLE**

- (a) This Agreement shall be governed by and construed, interpreted and applied in accordance with the laws of Malaysia and the parties hereby submit to the jurisdiction of the Courts of Malaysia. The parties hereby further agree that the service of any notice or any legal process in respect of any action arising out of or connected with this Agreement may be effected in accordance with [Clause 19.9](#) above.
- (b) The Customer hereby acknowledges that the acceptance of the Facility shall be conclusive as to the Customer's acceptance of the Shariah permissibility of all the Shariah contracts the Customer enters into with the Financier and all action and arrangements contemplated thereunder.
- (c) NOTWITHSTANDING the above, the parties hereto further agree that for the avoidance of doubt, any interpretation, questions disputes and/ or references by then parties, any proceedings before any court or arbitrator, in relation with and concerning Shariah issues, principles and/ or practices, all parties shall take into consideration any published rulings of the Shariah Advisory Council of Bank Negara Malaysia or in the silent of which, refer the interpretation, questions, disputes and/ or references to the Shariah Advisory Council of Bank Negara Malaysia whose rulings and/ or recommendations shall then be binding on and followed by all parties.

21. **ANTI-MONEY LAUNDERING AND ANTI-TERRORISM FINANCING ACT 2001 (Act 613) (AMLAT)**

The Customer is prohibited to utilize the Facility granted for any illegal activities as stipulated under the AMLAT. The Bank has the absolute right to obtain all information required as well as the financing source related to the Customer. The Bank has also the right to lodge a report to the relevant authorities and to extend full cooperation in order for the authorities to carry out their duties under AMLAT. If it is found that the Customer is in violation of AMLAT, the Bank is entitled forthwith to exercise all of its rights contained in Clause 11 herein.

22. PERSONAL DATA PROTECTION ACT 2010

The Customer hereby acknowledges that the Bank in exercising its rights, duties and obligations under this Agreement and in exercising its daily operation and in providing its customers a high quality of service may need to contact, inform and/ or notify the Customer via email, telephone, post or any other communication media with details of the Bank's services. While the Bank will at all times capture and process the Customer's personal information in accordance with the requirements set out in Personal Data Protection Act 2010, the Customer herewith consents and authorises the Bank to release the Customer's name, address, email address, telephone number(s) and any other information which the Bank feels in its entire discretion, may be relevant, to any third party for the marketing and promotion of the Bank's products and services. Provided always that this consent and authorisation may be withdrawn at any anytime by the Customer by giving ample prior written notice to the Bank.

23. STAMP DUTY DECLARATION

IT IS HEREBY DECLARED THAT this Agreement, the other Security Documents are instruments employed in one transaction to secure the payment of the Facility and all other monies due and owing by the Customer to the Bank and for the purpose of Section 4(3) of the Stamp Act, 1949 (Consolidated and Revised in 1989), this Agreement shall deemed to be a substitution or a supplemental to the principal instrument. The duty chargeable for this Agreement shall be exempted, remitted or of nominal value pursuant to:-

- (a) General exemption under Para 35(6) of Stamp Act 1949; or
- (b) Stamp Duty (Remission) Order 2011; or
- (c) this Agreement being an auxiliary or secondary instrument.

24. SHARIAH COMPLIANCE

- (a) The Customer hereby agrees, confirms and acknowledges that this Agreement and any transaction entered into pursuant to this Agreement are subject to and in conformity with Shariah principles, as ascertained by the BNM Shariah Advisory Council ("SAC") and/or any other authority having jurisdiction over the Bank.
- (b) Where in any proceedings relating to this Agreement and any transaction entered into pursuant to this Agreement before any court or arbitrator any question arises concerning a Shariah matter, the court or the arbitrator, as the case maybe shall:
 - (i) take into consideration any published rulings of the BNM SAC; or
 - (ii) refer such question to the BNM SAC for its ruling.
- (c) Any such rulings made by the BNM SAC shall be final and binding among the Parties and the court or arbitrator making a reference to the BNM SAC.
- (d) The Customer has had notice of guidelines, specifications, standards or circulars issued pursuant to the Islamic Financial Services Act 2013. If from

time to time and at any time before or during the continuance of this Agreement and any transaction entered into pursuant to this Agreement, it is discovered or it has come to the attention of the parties that any part or portion or in any aspect of the facility, there is or is likely to be in any way or manner which have or would result in an infringement of Shariah principles, guidelines, specifications, standards or circulars and or that the continued utilisation of the Facility shall be in violation of the same, the Parties hereby agree that the relevant provision and/or term and/or condition of the Agreement shall be deemed to be amended or varied in such a manner and to such extent as is necessary to be in conformity with Shariah principles, guidelines, specifications, standards or circulars. The Bank shall be entitled forthwith to exercise all of its rights contained herein and vary the terms of this Agreement and any transaction entered into pursuant to this Agreement to the extent necessary to ensure that this Agreement and any transaction entered into pursuant to this Agreement to be in conformity with Shariah principles, guidelines, specifications, standards or circulars.

- (e) Notwithstanding any determination that the Agreement and/or any part thereof and/or any transaction arising therefrom is in any manner or form Shariah non-compliant, the Customer hereby agrees that the indebtedness arising from the Customer's utilisation of the Facility shall remain intact and owing and shall not in any way or manner be affected adversely by any Shariah non-compliance.
- (f) If the infringement of a Shariah principle is caused by or attributed to the Customer, the costs applicable to the rectification or variation process shall be borne by the Customer. If the infringement of a Shariah principle is caused by or attributed to the Bank, the costs applicable to the rectification or variation process shall be borne by the Bank.

*****[End of Clauses]*****

IN WITNESS WHEREOF the parties hereto have hereunto set their respective hands below.

SIGNED by }
for and on behalf of }
KOPERASI CO-OPBANK PERTAMA }
MALAYSIA BERHAD (1146 / 7.6.50) }
by its lawful Attorney }
in the presence of: }

Time stamp:

SIGNED by }
} }
} }
the Customer }
in the presence of:- }

Time stamp:

SCHEDULE 1

(which is to be taken read and construed as an integral part of this Agreement)

Section No.	Section	Particulars
1.	Day and year of this Agreement	Please refer to Appendix 1
2.	Address of the branch/business department	Please refer to Appendix 1
3.	Name and other particulars of the Customer	Please refer to Appendix 1
4.	Description of Assets	Please refer to Appendix 1
5.	Day and year of the Letter of Offer	Please refer to Appendix 1
6.	Availability Period	Please refer to Appendix 1
7.	Facility Amount	Please refer to Appendix 1
8.	(a) Day and year of the Contract Agreement	Please refer to Appendix 1
	(b) Particulars of Vendor/Contractor/Supplier	Please refer to Appendix 1
9.	Particulars of Project	Please refer to Appendix 1

10.	Particulars of Existing Chargee/Assignee	Please refer to Appendix 1
11.	Bank's Sale Price	Please refer to Appendix 1
12.	Bank's Profit	Please refer to Appendix 1
13.	The Details of the Existing Asset Sale Agreement	Please refer to Appendix 1
14.	The Details of the Existing Asset Purchase Agreement	Please refer to Appendix 1

SCHEDULE 2

(which is to be taken read and construed as an integral part of this Agreement)

Please refer to Appendix 1

<p>1.</p>	<p>*The Bank's Sale Price and monthly instalments referred to in Clause 5 hereof</p>	<p>RINGGIT MALAYSIA..... (RM.....) ONLY to be paid by the Customer by only to be paid by the Customer by(.....) monthly instalments in the following manner :</p> <table border="0"> <thead> <tr> <th></th> <th>Month</th> <th>Per month (RM)</th> <th>Total (RM)</th> </tr> </thead> <tbody> <tr> <td>(a)</td> <td></td> <td></td> <td></td> </tr> <tr> <td>(b)</td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>(hereinafter collectively called "the Instalments") The first instalments shall commence on the same date in the following month after the first disbursement by the Bank of the Facility, and the next and subsequent instalments shall be paid on the same dates in the successive month, (and if there is no numerically corresponding date in any successive month, then the instalment due for that month shall be paid on the immediately preceding day) until the Bank's Sale Price and all monies due hereunder shall have been fully paid and satisfied.</p> <p>The Facility is based on the principles of Bai 'Inah (with Ibra' feature or variable rate). Notwithstanding the Instalments shown above, the <u>Table of Instalments</u> are calculated based on a Floating Rate, the Customer shall only be liable to pay to the Bank the Bank's Sale Price and Instalments calculated with reference to the Ceiling Profit Rate (CPR) or Floating Rate which is not exceeding the Ceiling Profit Rate (CPR) where :-</p> <ul style="list-style-type: none"> (i) The Ceiling Profit Rate (CPR) is fixed at the rate of% per annum; and (ii) The Floating Rate is an Effective Profit Rate (EPR) and variable based on the Base Financing Rate (BFR) prevailing as at each due date of payment of 		Month	Per month (RM)	Total (RM)	(a)				(b)			
	Month	Per month (RM)	Total (RM)											
(a)														
(b)														

		<p>each Instalment plus margin above the said prevailing Base Financing Rate</p> <p>The Effective Profit Rate (EPR) offered is BFR -% per annum. Currently, the Bank's BFR isper annum.</p> <p>The difference between the Ceiling Profit Rate (CPR) and the Effective Profit Rate (EPR) is the effective periodic rebate after the Bank receives the instalment payment each month.</p> <p>and if at any time and from time to time the Floating Rate is varied which resulting in variation of the current Base Financing Rate (BFR), the necessary adjustment consequent upon such variation of the Base Financing Rate (BFR) may be made by varying the amount of any monthly instalment. The Bank will give written notice to the Customer on the new amount of the Instalment(s) which is payable by the Customer. If there is any reduction on the new instalment amount, the difference shall be credited into the Customer's account.</p> <p>WITHOUT PREJUDICE the profit margin rate above is subject to the following formula: -</p> <p>(a) During the period of financing, the Bank reserves the right to increase the rate of profit margin not less than BFR% if the BFR rate is difference and the Overnight Policy Rate (OPR) was less than 2.00%.</p> <p>BFR+0.00% rate will be according to the current rate of profit margin if the BFR rate is difference and the Overnight Policy Rate (OPR) increase to 2.00% on the conditions do not exceed the Ceiling Profit Rate (CPR).</p> <p>(b) Notwithstanding anything to the contrary and without prejudice to the Bank's right under the Security Deposit clause herein, if any of the instalment above shall remain unpaid, either partly or wholly by the Customer for a consecutive period of three (3) months, the monthly instalment on the outstanding amount at the time of default shall be automatically calculated on monthly rest</p>
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SCHEDULE 3

(which is to be taken read and construed as an integral part of this Agreement)

Please refer to Appendix 1

THE PARTICULARS OF SECURITY DOCUMENTS AND SECURITY PARTIES

- *1. A Letter of Guarantee (hereinafter referred to as “the Letter of Guarantee”) to be executed by the person(s) whose name(s) and descriptions are stated in **Section 3** of **Schedule 2** hereto in favour of the Bank in a form and substance acceptable to the Bank guaranteeing the due performance and observance by the Customer of all the terms conditions undertakings and payment of the Sale Price and other monies whatsoever due and payable by the Customer to the Bank.
- *2. A Corporate Guarantee (hereinafter referred to as “the Corporate Guarantee”) to be executed by the company which particulars and descriptions are stated in **Section 3** of **Schedule 2** hereto in favour of the Bank in a form and substance acceptable to the Bank guaranteeing the due performance and observance by the Customer of all the terms conditions undertakings and payment of the Sale Price and other monies whatsoever due and payable by the Customer to the Bank.
- *4. A registrable *first/ third party first fixed legal charge under the National Land Code 1965 over the land held (hereinafter referred to as “the Charge”) in the form and manner prescribed by the Bank.
- *5. A Deed of Assignment in respect of the property [hereinafter called "the Deed of Assignment (By Way of Security)"] held under master title..... in favour of the Bank in form and substance acceptable to the Bank and upon the issue of the separate document of title execute a registrable first charge in favour of the Bank over the Property in the Bank's form of charge applicable therefore;
- *6. A Deed of Assignment in respect of all contract proceeds (hereinafter called "the Deed of Assignment of Contract Proceeds") in favour of the Bank in form and substance acceptable to the Bank.
- *7. A Deed of Assignment in respect of all rights, title and benefits of the business (hereinafter called "the Deed of Assignment of Rights, Title and Benefits ") in favour of the Bank in form and substance acceptable to the Bank.
- 8* Others (please specify) :

**Delete whichever is not applicable*

- *1. A Letter of Guarantee (hereinafter referred to as “the Letter of Guarantee”) to be executed by the person(s) whose name(s) and descriptions are stated in **Section 3** of **Schedule 2** hereto in favour of the Bank in a form and substance acceptable to the Bank guaranteeing the due performance and observance by the Customer of all the terms conditions undertakings and payment of the Sale Price and other monies whatsoever due and payable by the Customer to the Bank.

- *2. A registrable *first/ third party first fixed legal charge under the National Land Code 1965 over the land (hereinafter called “the Property”) held (hereinafter referred to as “the Charge”) in the form and manner prescribed by the Bank.

- *3 A Deed of Assignment in respect of the property [hereinafter called "the Deed of Assignment (By Way of Security)"] held under master title.....
..... in favour of the Bank in form and substance acceptable to the Bank and upon the issue of the separate document of title execute a registrable first charge in favour of the Bank over the Property in the Bank's form of charge applicable therefore;

- *4. Others (please specify) :

***Delete whichever is not applicable**

SCHEDULE 4

(which is to be taken read and construed as an integral part of this Agreement)

REPRESENTATIONS AND WARRANTIES

(A) The Customer represents and warrants to the Bank as follows:

- (a) The Customer has full legal right authority and power to obtain the Facility and to enter into and bind itself by this Agreement and the documents related hereto and all appropriate and necessary action has been taken to authorise the execution of this Agreement and the documents related hereto and the execution and delivery hereof and thereof does not exceed the power and authority of the officers executing the same;
- (b) This Agreement and the documents related hereto constitute the legal valid and binding obligations of the Customer and are enforceable in accordance with their terms and the obligations of the Customer hereunder and thereunder in respect of any payment due and payable by the Customer do not contravene any legislation or regulation binding on the Customer;
- (c) The Customer is not now nor will it be by executing this Agreement and the documents related hereto and utilising the Facility be in default under this Agreement and the documents related hereto or any other existing mortgage indenture contract or debenture binding on the Customer or to which it is subject;
- (d) There is no order of any Court or any governmental agency or any provision of any existing agreement binding on the Customer or to which it is subject which would be contravened or breached by the execution delivery and performance of this Agreement or the documents related hereto;
- (e) No lawsuits or investigations by any Government agency body or other regulatory authority are pending or are to be instituted against the Customer;
- (f) No violation of any provisions of legislation Court orders or judgment has been committed by the Customer;
- (g) The Customer and, where applicable, the Security Party are duly incorporated * private/public limited company having a share capital in accordance with the Companies Act 1965 or a co-operative society duly registered under the Co-operative Societies Act 1993 and validly subsisting under the laws of Malaysia and has the power and authority to own properties and assets and carry on business as it is now being conducted;
- (h) There are no winding-up or liquidation proceedings pending against the Customer and the Customer has not commenced any action for voluntary winding-up or liquidation of the Customer;

- (i) Every consent, licence, approval or authorisation of any governmental authority in Malaysia which is required in connection with the execution performance validity or enforceability of this Agreement and the documents related hereto has been obtained and is in full force and effect;
- (j) The Memorandum and Articles of Association or such other appropriate constitutional documents of the Customer and the Security Party include provisions which give power and all necessary corporate authority has been obtained and action taken for the Customer and the Security Party to own assets, carry on their businesses and operations as they are now being conducted and execute, deliver and perform their obligations under the Security Documents;
- (k) That the execution, delivery and performance of each of the Security Documents by the Customer and the Security Party do not and shall not violate, contravene or constitute a default under, or cause to be exceed any limitation on the Customer or the Security Party or the powers of its directors imposed by or contained in the provisions of:
- i. any law or regulation or any order or decree of any governmental authority, agency or court to be which they are subject;
 - ii. their Memorandum and Articles of Association or such other constitutional documents as appropriate; or
 - iii. any contract of whatever nature, other undertaking, or instrument to which they are a party or which are binding upon them or any of their assets and shall not result in the creation, imposition of, or any obligation to create, or impose, any mortgage, lien, pledge or charge on any of their assets pursuant to the provision of any such contract, or other undertaking, or instrument;
- (l) That 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 to which the Customer and the Security Party or by which any of its 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 and the Security Party might materially affect the solvency of the Customer or the Security Party or adversely affect its ability to observe or perform its obligations under the Security Documents to which it is a party;
- (m) That none of the directors, managers, guarantor, agents, shareholders or employees of the Customer or the spouses, parents, children of such directors, guarantors, managers, agents, shareholders or employees are directors, officers or in any way otherwise connected with the Bank within the meaning stipulated under any guidelines, specifications, standards or circulars issued pursuant to the Islamic Financial Services Act 2013;

- (n) Where applicable, that the audited financial statements (including the income statement and balance sheet) of the Customer for the relevant years 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 operation for that year and the state of its affairs at that date, and in particular accurately disclose or reserve against all the liabilities of the Customer;
- (o) That none of the assets of the Customer and the Security Party is affected by any security interest, and the Customer and the Security Party are not a party to, nor are they or any of their assets bound by, any order, agreement or instrument under which the Customer or the Security Party is (or in certain events may be) required to create, assume or permit to exist any Security Interest, other than those Security Interest created pursuant to the Security Documents;
- (p) That no step has been taken or meeting has been convened or any resolution made for the winding up, dissolution, deregistration or the cessation of the business or affairs of the Customer or the Security Party;
- (q) That the customer and the Security Party have filed all tax returns which the Customer and the Security Party are required by law to file and not in default and have made adequate provision for the payment of all taxes, assessments, fees and other governmental charges assessed against each of them or upon any of their respective assets, income or franchise or any of them, and no claim is being asserted with respect to taxes which are not disclosed in the financial statements referred to in **Sub-section (n)** above;
- (r) That the Bank is satisfied that as from the date when the Customer first applied for the Facility, there has been no material alterations or changes in the constitution, condition, business, financial and other affairs of the Customer and the Security Party which could or might adversely affect their ability to perform their obligations under the Security Documents to which they are a Party and/or which could or might adversely affect the decision of the Bank to proceed with the Facility;
- (s) That no extraordinary circumstances or change of law or other governmental action has occurred which shall make it improbable that the business of the Customer and the Security Party can be carried out or that the Customer and the Security Party will be able to perform their covenants and obligations to be performed under the Security Documents to which they are a party;
- (t) That the rights and obligations of the parties under this Agreement and the other Security Documents is governed by and construed in accordance with the laws of Malaysia;
- (u) That the information furnished by the Customer and each Security Party in connection with the Facility does not contain any untrue statement or omit to state any fact the omission of which makes any statements made therein in the light of the circumstances under which they are made, misleading and all expressions of expectation, intention, belief and

opinion and all projections contained therein were honestly made on reasonable grounds after due and careful inquiry by the Customer;

- (v) 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;
- (w) That the representation and warranties contained under this Clause are true and accurate in all respects as if made on each such date and will be correct and complied with in all material respects on each of the dates the Facility is utilised;
- (x) The Customer understands that the Facility has been endorsed by the Shariah Committee of the Bank and hereby agrees and undertakes that their approval is final, conclusive and binding upon the Customer; and
- (y) Others (please specify if any) :

Each disbursement of the Facility shall constitute and each payment of any sums due and payable by the Customer shall unless the Customer notifies the Bank in writing to the contrary constitute a representation and warranty by the Customer that at the time of each disbursement or payment no event of default or event which with the giving of notice or passing of time or both would constitute an event of default has occurred and that the Representations and Warranties are true and correct as at the date of each disbursement.

(B) Continuing Nature of Representations and Warranties

Any release of the Facility made under the provisions of this Agreement shall be deemed to be made on the basis of a representation and warranty by the Customer that:-

- i. as from the date when the Customer first applied for the Facility there have been no material alterations or changes in the constitution condition business or other affairs of the Customer which could or might adversely affect the ability of the Customer to perform its obligations hereunder; and
- ii. the representations and warranties contained in **Schedule 4** hereof are true, accurate and correct in all respect and will be correct and complied with in all respects as at the date of such disbursement as if repeated then by reference to the then existing circumstances.

(C) Survival of Representations and Warranties

The representations and warranties set out in **Schedule 4** shall survive the signing and delivery of this Agreement and any utilisation of the Facility and until the full and final settlement of the Facility.

(* Delete whichever is not applicable)

SCHEDULE 5

(which is to be taken read and construed as an integral part of this Agreement)

AFFIRMATIVE COVENANTS

The Customer will at all times from the date of this Agreement until all its Indebtedness under this Agreement have been discharged:

- (a) carry out and operate its business and affairs with due diligence and efficiency and in accordance with sound financial and industrial standards and practices and in accordance with its Memorandum and Articles of Association or Rules and by-laws as the case may be as amended from time to time;
- (b) furnish to the Bank all such information as the Bank shall reasonably request concerning the use of the Facility and on any factors materially affecting the Customer's business and the operations and financial condition of the Customer and in particular supply the Bank with statements of all monies owing by the Customer in such form as the Bank may from time to time require;
- (c) maintain records adequate to reflect in accordance with consistently maintained sound accounting practices the operations and financial condition of the Customer and allow the Bank or its agents and servants to inspect all such records at any office or place of business of the Customer so far as such records relate to or affect the Customer's properties assets and business and the Customer shall give to the Bank or any person authorized by the Bank to inspect such records such written authorities as may be required to enable the Bank to inspect the said records at all times;
- (d) keep and maintain its present paid up share capital or member's funds as the case may be and any increases thereof as herein provided unless otherwise directed by any regulatory or governmental body or authority;
- (e) it will ensure that its liabilities under the Security Documents to which it is a party rank and will rank (and would rank if the Security Documents to which it is a party 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:
 - 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 Security Interest created which is disclosed to the Bank prior to the date hereof;

- (f) it will prepare the financial statements referred to in **Sub-section (g)** below 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 all the liabilities (actual or contingent) of the Customer;
- (g) it will deliver to the Bank:
- i. as soon as they become available (and in any event within one hundred and eighty (180) days after the end of each of its financial periods) copies of its financial statements for that period which shall contain an income statement and a balance sheet and, where applicable, be audited and certified by a firm of independent accountants;
 - ii. half yearly financial statements to be delivered not later than sixty (60) days after the end of each half year which shall contain full particulars of its business for that period and an income statement and a balance sheet; and
 - iii. promptly, such additional financial or other information as the Bank may from time to time reasonably request;
- (h) it will obtain and promptly renew from time to time, and will promptly deliver to the Bank certified copies of any authorisation, approval, consent, licence, exemption, registration, recording, filing or notarisation as may be necessary or desirable to ensure the validity, enforceability or priority of the liabilities and obligation of the Customer or the rights of the Bank under the Security Documents and the Customer shall comply with the term of the same;
- (i) it will obtain all necessary licences and approvals and comply with all regulations relating to the carrying on of its business and will carry on its business with due diligence and efficiency and in accordance with sound financial and business standards and practices and will furnish to the Bank all information which the Bank may reasonably request in connection with such business;
- (j) if it becomes aware of the occurrence of an event of default it will forthwith notify the Bank and will 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 otherwise in connection with it;
- (k) it will maintain or cause to maintain such Takaful/insurance in respect of its assets and business against all risks (including third party risks and workmen's compensation) which a prudent entity carrying on a business similar to that of the Customer would normally insure and all such Takaful/insurance shall be in such amounts, on such terms and with such insurers as may be approved by the Bank and will not do or omit to do or

suffer anything to be done which might render any such Takaful/insurance policies to be void or voidable;

- (l) it 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 operation of the Customer;
- (m) it will promptly notify the Bank of :-
 - i. any material event or adverse change in the condition (financial or otherwise) of the Customer or any Security Party;
 - ii. any litigation or other proceedings of any nature whatsoever being threatened or initiated against the Customer or any Security Party before any court tribunal or administrative agency which may materially affect the operations and/or financial condition of the Customer or the Security Party;
 - iii. any dispute between the Customer or any Security Party and any government or statutory body in respect of any of their assets;
 - iv. any labour controversy which might result in a strike against the Customer; and
 - v. all such notification to 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 or dispute and the amount of any contingent liability if such amount is ascertainable.
- (n) it will inform the Bank in the event of any acquisition of assets of a substantial amount;
- (o) where the Customer is a company, it will submit to the Bank a certified true copy of its annual return and return of allotment of shares as submitted to the Companies Commission of Malaysia;
- (p) it will forthwith notify the Bank in the event of any of its Authorised Signatories is no longer authorised to sign any documents or to otherwise act on the Customer's behalf hereunder;
- (q) it will promptly notify the Bank in the event of any change in its residential status of any Security Party;
- (r) it will ensure that the operation of the current account or any other account(s) of the Customer with the Bank is active and satisfactory and the approved limit of the Facility observed at all times;
- (s) where the Customer is a company, it will procure and ensure that all present and future facilities granted to it by any of its directors, shareholders or related corporations will be subordinated to the Indebtedness;

- (t) where applicable, it will punctually pay all quit rents, assessments, rates, taxes and all other outgoings payable from time to time in connection with or arising out of its properties and forward copies of all receipts in respect of such payments to the Bank;
- (u) pay all sums due and payable under the Facility pursuant to this Agreement in the manner herein specified and to perform all its other obligations and undertakings herein contained and pursuant to the Letter of Offer and the Security Document in the manner therein specified and to perform all its other obligations and undertakings therein contained; and
- (v) perform all its other obligations under this Agreement;
- (w) utilize the Facility for the Purpose granted; and
- (x) others (please specify if any) :

SCHEDULE 6

(which is to be taken read and construed as an integral part of this Agreement)

NEGATIVE COVENANTS

The Customer hereby further covenants that from the date of this Agreement, it will not without the consent in writing of the Bank first had and obtained:

- (a) incur assume guarantee or permit to exist any indebtedness except the Facility and short-term debts incurred in respect of money borrowed from licensed banks or from other sources in the ordinary course of business.

For the purposes of this sub clause any credit from a supplier of capital goods installment purchase or other similar arrangement is deemed to be indebtedness and a short-term debt is deemed to be any debt payable on demand or maturing by its terms within twelve (12) months after the date on which it was originally incurred;

- (b) create or permit to exist any lien on any assets of the Customer except any tax or other statutory lien provided that such lien shall be discharged within thirty (30) days after final adjudication.

For the purposes of this sub clause the expression "lien" includes mortgages pledges charges privileges and priorities of any kind and the expression "assets" includes any revenues and property movable and immovable of any kind;

- (c) decrease or in any way whatsoever alter the authorized or issued capital or member's funds as the case may be of the Customer whether by varying the amount structure or value thereof or the rights attached thereto or convert any of its share capital into stock or by consolidating dividing or subdividing all or any of its shares;

- (d) make any prepayment in respect of any debt (other than short-term debts as defined in subsection (a) hereof);

- (e) have any subsidiary or make or permit to exist loans or lend or makes advances to others or make investments in other companies or enterprises or guarantee any person enterprise or company (other than normal trade credit or trade guarantees or temporary loans to staff customers contractors or suppliers in the ordinary course of business) PROVIDED that the Customer shall be at liberty to invest in short term marketable securities acquired solely so as to utilize such funds of the Customer as are not immediately required for the Customer's business;

- (f) add to delete vary or amend its Memorandum and Articles of Association or its Rules and by-laws as the case may be or change the nature of its present business in any manner which would be materially inconsistent with the provisions of the Shariah or change its financial year;

- (g) terminate or seek to terminate commit or threaten to commit a breach mend or grant any waiver in respect of any of the provisions of :
- i. this Agreement or any of the documents referred to in the **Schedule 3** hereof; or
 - ii. any other agreement entered into in connection with or in pursuance of this Agreement.
- (h) enter into any partnership profit-sharing or royalty agreement or other similar arrangement whereby the Customer's income or profits are or might be shared with any other person firm or any company or enter into any management contract or similar arrangement whereby the Customer's business or operations are managed by any other person firm or company;
- (i) carry on any business other than its existing business on the date it first applied for the Facility or permit any change in the nature of the said business PROVIDED THAT the Customer shall be at liberty to carry on any such business or to change the nature of the said business save and to the extent that the same is permissible under the Shariah;
- (j) 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 ex-works commercial price (subject to normal trade discount) for its products;
- (k) where the Customer is a company, declare or pay any dividend or bonus issue or make any distribution (be it income or capital in nature) if there is any monies outstanding under the Facility which is due and unpaid;
- (l) where the Customer is a company, make any prepayment or payment of any advance made by its shareholders, directors or related corporations or any other facilities or indebtedness if there is any monies outstanding under the Facility which are due and unpaid;
- (m) where the Customer is a private company, allow any change in its existing shareholders or their respective shareholdings and/or its directors and/or its management line-up;
- (n) sell transfer encumber or otherwise dispose of or in any case cease to exercise control over, whether by single transaction or a number of transactions, whether related or not, the whole or part of the Customer's undertakings business or assets or undertake any merger consolidation or reorganisation save and except in the ordinary course of business and on ordinary commercial terms on the basis of arm's length transaction;
- (o) where the Customer is a company, enter into any transaction or arrangement whereby any related or associated company of the Customer or any

director or shareholders of the Customer incurs in its favour any indebtedness. For the purpose of this sub-clause, the expression "director" or "shareholder" includes a spouse, parent, child, brother or sister of the director or shareholder;

- (p) make any alteration to the general purpose stated in its application for the Facility;
- (q) change the nature of its present business or sell, transfer or otherwise dispose of, or in any way cease to exercise control over, whether by single transaction or a number of transactions, related or not, the whole or part (being the aggregate a substantial part in the relation to the Customer) of its undertaking, business or assets, or undertake or permit any merger consolidation or reorganisation; and
- (r) others (please specify if any).

SCHEDULE 7

(which is to be taken read and construed as an integral part of this Agreement)

EVENT OF DEFAULT

- (a) The Customer is deemed to have committed a default if the Customer commits or threatens to commit a breach of any of the covenants undertakings stipulations terms conditions or provisions herein stipulated and without prejudice to the generality of the foregoing upon the happening of any one or more of the following events
- i. the Customer fails or defaults in the payment of any sum of money whatsoever and howsoever payable on its due date by virtue of the provisions herein contained whether formally demanded or not;
 - ii. the Customer and/or any security provider fails to comply with any notice given under any of the Security Documents requiring them to remedy any breach of the terms of any of the Security Documents within the time stipulated therein;
 - iii. any other indebtedness of the Customer become or becomes capable in accordance with the relevant terms thereof of being declared due prematurely by reason of a default by the Customer in his obligations with respect to the same or the Customer fails to make any payment in respect thereof on the due date for payment or upon the security for any such indebtedness becoming enforceable;
 - iv. any representation or warranty made or implied pursuant to any notice certificate letter or other document delivered pursuant to the terms of this Agreement is incorrect or misleading in a material particular as of the date at which it was made or deemed to have been made;
 - v. if before the Property is fully and completely constructed a petition is presented for the winding-up or bankruptcy of the Vendor/Proprietor of the Property (where applicable);
 - vi. any of the Security Documents hereof shall be challenged with regard to its validity by the Customer and/or any of the security provider or any other person;
 - vii. the Bank shall be of the opinion that any of the Security Documents created is in jeopardy;
 - viii. the Customer commits or threatens to commit or breach of any term or condition of this Agreement and/or any of the Security Documents;
 - ix. the Customer commits or threatens to commit a default under any of his contractual obligations with any other parties including the Bank with regard to his borrowing/financing or any agreement or arrangement;

- x. in the absolute opinion of the Bank the Customer's account with the Bank (including any other accounts the Customer may have with the Bank) is or has not been operated satisfactorily;
- xi. default is made in effecting maintaining or renewing any takaful required to be effected maintained or renewed by the Customer;
- xii. any other event or series of events whether related or not has or have occurred which in the opinion of the Bank (which opinion shall be final and binding upon the Customer) could or might effect or prejudice the ability or willingness of the Customer and/or security provider to duly and punctually perform or comply with all or any of its respective obligations herein or under any of the Security Documents;
- xiii. legal proceeding suit or action of any kind whatsoever (whether criminal or civil) be instituted against the Customer and/or security provider;
- xiv. the Customer and/or security provider shall make an assignment for the benefit of the creditors of the Customer or enter into any arrangement for composition for the benefit of the creditors of the Customer and/or security provider;
- xv. the Customer and/or security provider becomes or is declared insolvent or bankrupt or consents to the appointment of a trustee custodian intervener or receiver for it or for what in the Bank's opinion is a substantial part of its assets or any such trustee custodian intervener or receiver is appointed or re-organisation intervention arrangement or bankruptcy proceedings (or proceedings similar in purpose or effect) are filed or instituted by or against the Customer and/or security provider;
- xvi. if a distress or a warrant of attachment or execution or similar process against any substantial part of the assets of the Customer and/or security provider is issued;
- xvii. if one or more judgments or decrees shall be entered against the Customer and/or security provider and involving in the aggregate a liability (not paid or fully covered by takaful) of such quantum deemed significant by the Bank and any such judgment or decree shall not have been vacated discharged or stayed within sixty (60) days from the entry thereof;
- xviii. if any present or future security on or over the assets of the Customer and/or security provider becomes enforceable and in the opinion of the Bank such event has or could have a material adverse effect on its ability to fulfill its obligations under the Security Documents;
- xix. if any provision of the Security Documents ceases to remain in full force and effect for any reason whatsoever;
- xx. if in the opinion of the Bank any material adverse change in the financial status of the Customer and/or security provider has occurred or something has been done by them which materially impairs or renders insufficient or inadequate the securities provided by or under the Security Documents;

- xxi. if false financial statements and/or other data required by the Bank shall have been furnished;
- xxii. if any of the assets of the Customer and/or security provider shall become the subject matter of any seizure, forfeiture, confiscation or expropriation by any authority, government or otherwise;
- xxiii. the Customer ceases to be in the employment of the employer as set out in Section 2A of the First Schedule hereto (“the Employer”) either by reasons of his resignation retirement or by termination of his service or by dismissal by the Employer for any reason whatsoever;
- xxiv. any law is brought into effect which purports to render ineffective or invalid any provision of any of the Security Documents or which would prevent the Customer or the Security Party from performing any of their respective obligations under the Security Documents;
- xxv. 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;
- xxvi. then at once or at any time thereafter, the Bank may, by notice to the Customer, declare the Indebtedness to be immediately due and payable whereupon:
 - a. the Indebtedness shall become immediately due;
 - b. no further utilisation of the Facility shall be made; and/or
 - c. the Facility shall be cancelled;
- xxvii. the Customer or the Security Party or any of their subsidiaries transfers or disposes of or threatens to transfer or dispose of, a substantial part of its business or assets without the prior written consent of the Bank;
- xxviii. the Customer or the Security Party or any of their subsidiaries changes or threatens to change the nature or scope of its business, suspends or threatens to suspend a substantial part of the present business operations which it now conducts directly or indirectly, or any governmental authority expropriates or threatens to expropriate all or part of its assets and the result of any of the foregoing is, in the determination of the Bank, adversely to affect the financial condition or the ability of the Customer or the Security Party to observe or perform their respective obligations under any Security Documents;
- xxix. any encumbrances takes possession of, or a trustee or administrator or receiver or similar officer is appointed in respect of all or any part of the business or assets of the Customer or the Security Party or any of their subsidiaries or distress or any form of execution is levied or enforced upon or sued out against any such 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 affects any of its assets becomes enforceable;

- xxx. the Customer or the Security Party or any of their subsidiaries shall fail to satisfy any judgment passed against any of them by any court or any 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 judgment obtained in default of appearance no application has been made to set such judgment aside within thirty (30) days of the date the Party against whom judgment was obtained becoming aware of the judgment;
- xxxi. any licence, authorisation, approval, consent, order, exemption, registration, filing or notarisation referred to herein is revoked or withheld or modified or is otherwise not granted or fails to remain in full force and effect;
- xxxii. all or a material part of the assets of the Customer or of any subsidiary of the Customer shall be condemned, seized or otherwise appropriated or nationalised and such situation shall remain unremedied for more than sixty (60) days, or custody or control of such assets shall be assumed and retained for more than sixty (60) days by any person acting or purporting to act under the authority of the government, or the Customer or any subsidiary of the Customer shall have been prevented for a period of more than sixty (60) days from exercising normal managerial control over all or any substantial parts of its or their assets by any such person;
- xxxiii. if the Customer fail to utilize the Facility according to the Purpose granted; or
- xxxiv. others (please specify if any) :

then and in any of such cases (hereinafter called "Event of Default") all monies and any other monies covenanted to be paid by the Customer under this Agreement and the documents referred to in the **Schedule 3** hereof shall become due and immediately payable to the Bank and the Bank shall be entitled to set-off and utilise the Security Deposit for the purpose of settling any instalments due and payable by the Customer herein and to enforce all the documents referred to in the **Schedule 3** hereof and other remedies available to it under the law.

SCHEDULE 8

(which is to be taken read and construed as an integral part of this Agreement)

ADDITIONAL COVENANTS, UNDERTAKINGS AND TERMS

The Parties hereto hereby further agree:

(please specify if any)