

TERMS AND CONDITIONS
MURABAHAH TAWARRUQ PERSONAL FINANCING-i ("MTQ")

REMINDER: The Customer is reminded to read and understand the terms and conditions contained in this Terms and Conditions. If the Customer does not understand any of the terms and conditions contained in this Terms and Conditions, the Customer is advised to consult the authorised Bank agent.

1. WORD DEFINITIONS AND MEANINGS

"AmBank Group"

Refers to all corporations related to and/or associated with the i) Bank; ii) the Bank's parent company; and iii) the ultimate parent company of the Bank whether incorporated in or outside Malaysia, that exists currently or in the future, and reference to "AmBank Group" in this Terms and Conditions includes all or any of the entities within the AmBank Group.

"Amount Owed"

Refers to the Bank Selling Price, expenses, charges and fees required to be paid under the Personal Financing-i Application Form and this Terms and Conditions.

"Appointment of Agent"

Refers to the document appointing the Bank as agent based on the 'Wakalah' concept as set out in the Personal Financing-i Application Form for the *Murabahah Tawarruq* transactions under the Facility.

"Approval Letter"

Refers to the approval letter issued by the Bank to the Customer notifying of the approval of the Customer's financing application.

"Bank"

Refers to AmBank Islamic Berhad [Company No. 199401009897 (295576-U), a company incorporated in Malaysia and having its registered office at Level 22, AmBank Group Building, 55 Jalan Raja Chulan, 50200 Kuala Lumpur, including all successors-in-title and assignees.

"Bank Selling Price"

Refers to the Commodity cost plus Bank profit that is required to be paid by the Customer to the Bank.

"BNM"

Refers to Bank Negara Malaysia and includes the subsidiaries and bureaus established by it.

"Commodity"

Refers to Shariah-compliant commodities such as crude palm oil or any suitable commodity (excluding usurious commodities in the instruments of exchange category such as currencies, gold and silver), traded on the *Suq al-Sila'* Exchange platform and/or any platform approved by the Bank's Shariah Committee.

"Customer"

Refers to the Facility applicant as stated in the Personal Financing-i Application Form signed together with this Terms and Conditions and includes heirs, authorised assignees, and successors-in-title (whichever is applicable).

"the Facility"

Refers to the financing facility compliant with Shariah Principles provided to the Customer with the Bank's.

"Facility Amount"

Refers to the total amount of Facility equivalent to the proceeds of sale of commodities to third-party buyers.

"Monthly Payment"

Refers to the monthly payment of the Bank Selling Price that is required to be paid by the Customer in accordance with the terms and conditions set forth in this Terms and Conditions.

"Salary Deduction Body"

Refers to Biro Perkhidmatan Angkasa (BPA) or anybody/department responsible for the Customer's salary deductions.

"Shariah Principles"

Refers to Islamic financing principles as adopted and approved by the BNM Shariah Advisory Council and the Bank's Shariah Committee.

"Tax"

Refers to any taxes payable for the supply of goods, services or other items according to the provisions of the law.

2. SHARIAH CONCEPT AND REGULATIONS

i) The Facility is based on the Shariah concepts of *Murahabah*, *Tawarruq*, *Wa'd* and *Wakalah*

Murahabah refers to the sale and purchase of commodities where the procurement cost and mark up price is disclosed to the customer.

Tawarruq refers to two sale and purchase contracts. The first involves the sale of a commodity by the seller to the buyer on a deferred basis. Subsequently, the buyer of the first sale will sell the same commodity to a third party on a cash and spot basis.

Wa'd is a unilateral undertaking referring to an expression of commitment given by one party to another to perform certain actions in the future.

Wakalah refers to a contract where one party as the principal (*muwakkil*) appoints another party as Agent to perform certain tasks. In the Facility, the Customer appoints the Bank as agent to carry out the *Murahabah Tawarruq* transactions.

ii) Purchase Application and Purchase Undertaking

The Customer will make a request and provide an undertaking ("**Purchase Application and Purchase Undertaking**") to buy a specified Commodity from the Bank at the Bank Selling Price. The Bank Selling Price is based on the following formula:

Profit: Commodity Cost (equivalent to the approved Facility Amount) x Rate of Profit x Tenure

The exact profit amount to be paid by the Customer will be communicated by the Bank to the Customer in the Approval Letter.

With regard to the Purchase Application and Purchase Undertaking, the Bank (in its own capacity) will purchase the Commodity from the commodity supplier.

iii) The Appointment of the Bank as an Agent

The Customer agrees to appoint the Bank as his/her agent to sell the Commodity and to sign the *Murahabah* Sale Contract on his/her behalf.

The Appointment of the Bank as the Customer's agent shall be in accordance with the Appointment of Agent.

According to the Appointment of Agent, if requested by the Customer, the Bank on behalf of the Customer will sell the Commodity to any third party immediately and for cash, and the proceeds shall be paid to or for the benefit of the Customer in accordance with this Terms and Conditions.

The Customer is bound by the actions and transactions entered into by the Bank from time to time as his/her agent under and in accordance with the terms of the Appointment of Agent.

The Customer undertakes to indemnify the Bank against any and all claims, losses, costs, expenses or damages that the Bank may be incurred by the Bank in discharging its duties as an agent as stated above and in the Appointment of Agent, save and except for ta'addi (misconduct), taqsir (negligence) or mukhalafah al-shurut (violation of specific terms) by the Bank.

Notwithstanding anything in the Appointment of Agent, the Bank may, at its discretion, and at any time, refrain, defer, delay and/or decline to act as the Agent for any reason whatsoever by informing the Customer; and the Bank shall not be liable for any consequences whatsoever arising from the aforementioned inaction.

iv) Murabahah Sale Contract

The Bank will notify the Customer of the Bank's approval of the Purchase Application and Purchase Undertaking via a telephone call or short messaging service ("SMS") regarding the Facility amount approved, the Bank Selling Price and Facility tenure before executing the *Murabahah* Sale Contract.

After the Bank has purchased the Commodity from the commodity supplier, the Bank and the Customer (by way of the Bank as his/her agent) shall enter into a *Murabahah* Sale Contract in which the Bank sells the Commodity to the Customer at the Bank Selling Price. The Customer shall make payment to the Bank the Bank Selling Price on a deferred payment basis.

The *Murabahah* Sale Contract shall be deemed to have concluded upon its execution by both the Bank and the Customer; whereby the beneficial ownership of the Commodity (including any warranties, whether explicit or implied) together with the right to take delivery of the said Commodity and all risks and liabilities associated to the Commodity shall transfer from the Bank to the Customer.

The Customer purchases the Commodity from the Bank on an "as is" basis, subject to its specifications and quality as stated in the identification document and the Customer shall have no remedy against the Bank regarding the quality, state or otherwise concerning the Commodity. The Customer absolutely and conclusively waives any warranty rights and any claims for liability for damages on the Commodity against the Bank.

In the event the Customer wishes to take possession of the Commodity, the Customer shall personally bear all costs and expenses (including takaful/insurance) to receive the Commodity.

The Bank shall retain the identification and ownership certificates of the Commodity in trust for the benefit of the Customer before the subsequent sale to a third party including on *Suq Al-Sila'* Exchange by the Bank acting as the Customer's agent pursuant to the Appointment of Agent.

Upon written request, the Customer is entitled to inspect and/or obtain photocopies of the identification and ownership certificates of the said Commodity.

If the Customer wishes to sell the said Commodity on the market to a third party immediately on a cash and spot basis, the Customer may appoint the Bank as his/her agent to execute the transaction on behalf of the Customer pursuant to the Appointment of Agent.

The *Murabahah* Sale Contract may be terminated by the Bank or the Customer due to a breach of a specific term or terms agreed upon between the Bank and the Customer whereby the Commodity will be returned to the Bank and the Bank Selling Price (minus the rebate) will be returned to the Customer. In the event the Commodity has been sold to a Commodity buyer, an amount equivalent to the value of the Commodity will be returned to the Bank.

v) Format determined by the Bank

The Purchase Application and the Purchase Undertaking, the *Murabahah* Sale Contract and Appointment of Agent shall be executed in the format determined by the Bank.

vi) Trading Fee

The Trading Fee related to the purchase and sale of the Commodity for this Facility will be borne by the Bank (unless otherwise stated by the Bank).

The terms and conditions of the Personal Financing-i Application Form shall form part of this Terms and Conditions and this Facility shall be subject to the terms and conditions of both documents.

3. MONTHLY PAYMENTS FOR BANK SELLING PRICE

- i) The Monthly Payment shall be paid by the Customer in accordance with the number of monthly installments as notified by the Bank to the Customer.
- ii) Each subsequent installment shall be paid on the agreed date on every calendar month consecutively until the entire Bank Selling Price and all other monies promised to be paid by the Customer under this Terms and Conditions, hereinafter referred to as the "debt", have been fully paid and settled.
- iii) All payments shall be paid to the Bank in full without any set-off or other deductions for tax or any withholding.
- iv) If the law requires a deduction from any payment, the Customer must supplement his/her payment to ensure that the net amount received by the Bank is equivalent to the amount that the Bank would receive, had such deduction not been made.
- v) Any payments received from the Customer will be applied in a manner deemed appropriate by the Bank.
- vi) The Monthly Payments and installment tenure of the Facility may not be altered by the Customer without the Bank's consent.
- vii) The Customer undertakes to make satisfactory arrangements for the payment of this Facility under this Terms and Conditions even while not being present in Malaysia for any period of time.
- viii) In the event that the Bank and the Customer agree that the Monthly Payments as stated in Clause 3 of this Terms and Conditions shall be made by way of salary deduction through the Salary Deduction Body, then the Customer agrees to commence Monthly Payments on the day and month stipulated by the Bank after the Facility is disbursed, where the months preceding the commencement of Monthly Payments will be considered as "Deferred Period".
- ix) The Customer agrees and understands that the Bank shall not be liable and has no authority over salary deductions made through the Salary Deduction Body, and the Customer will refer any queries and complaints regarding such salary deductions directly to the Body.

Without prejudice to the provisions above, the Customer shall make Monthly Payments directly to the Bank: -

- a. Until the salary deduction by way of the Salary Deduction Body takes effect; and/or
 - b. In the event that the salary deduction is not remitted to or not received by the Bank for any reason whatsoever.
- x) Monthly fee of two percent (2%) from the Bank's Monthly Payment will be charged by Biro Perkhidmatan Angkasa ("BPA") the amount of which shall be borne by the Customer.

4. PRELIMINARY CONDITIONS FOR FACILITY AMOUNT PAYMENT

- i) The supporting documents required by the Bank and/or the Salary Deduction Body have been completed, including documents appointing the Bank as the Purchase and Sale Agent.
- ii) The Customer has complied with all terms and conditions stipulated by the Bank as stated in this Terms and Conditions.
- iii) Unless otherwise specified by the Bank, the Customer is free to obtain takaful coverage for an amount not less than the Facility Amount with any takaful company or one that is appointed by the Bank where the Bank is the beneficiary for the duration of the Facility period.
- iv) Any preliminary conditions deemed necessary by the Bank from time to time.
- v) Completion of the *Murabahah Tawarruq* transactions as detailed in Clause 2.

5. FACILITY AMOUNT PAYMENT

Upon fulfilling all terms and conditions contained in these Terms and Conditions, the payment of the Facility Amount, after deducting any related expenses will be made directly by the Bank into the Customer's account.

6. LATE PAYMENT CHARGES

- i) The Customer hereby agrees and acknowledges that the Bank reserves the right to impose and demand from the Customer late payment charges for the Customer's failure to make:
- outstanding Monthly Payments and/or amounts agreed to be paid by the Customer to the Bank; and/or
 - payments after the maturity date or cancellation of the Facility, At the rate specified below:

Applicable Period	Late Payment Charge Rate	On the Amount
1) Prior to maturity date	1% per annum calculated on a daily balance basis.	i. Outstanding Monthly Payments, will be calculated after the final date until full settlement of the outstanding Monthly Payment and/or; ii. Outstanding balance, calculated from the date of cancellation until full settlement of the outstanding balance.
2) After the maturity date	Current Islamic Interbank Money Market Rate ("IIMM") per annum calculated on a daily balance basis.	Outstanding balance calculated from maturity date until full settlement.
3) After the Bank has obtained court judgment against the Customer	At the IIMM Rate per annum calculated on a daily balance basis from the date of court judgment until the date of full settlement.	The outstanding balance (not including legal costs, late payment charges as stated in the judgment) calculated from the date of judgment until full settlement of the judgment sum.

Note:

- Late payment charges shall not be compounded.
 - The amount of late payment charges shall not be more than outstanding principal amount.
 - Late payment charges and the method of calculation are subject to change as may be prescribed by Bank Negara Malaysia.
 - Outstanding balance refers to the outstanding principal balance and earned profit.
 - Late payment charges are cumulative and subject to the applicable period.
- ii) Right of Set-off: The Bank reserves the right to set-off any unsettled balance in the financing account by using any credit balance in any of your accounts held with the Bank. Nevertheless, the set-off must be communicated to the Customer seven (7) days prior to the said set-off.
- iii) The Bank has the right to initiate legal proceedings against you. Any legal proceedings initiated against you shall affect your credit rating and render future credit applications more difficult or costlier.

7. IBRA' (REBATE)

The Bank will provide *ibra'* (rebate), if any, on the remaining amount of Bank Selling Price balance yet to be settled by the Customer based on the following situations:

- For variable rate financing, if the profit amount calculated based on the effective rate is lower than the ceiling rate.
- Based on the full settlement of the Bank Selling Price balance by the Customer in the following situations:
 - Redemption or prepayment of the Facility.
 - Due to the restructuring of the Facility.
 - Default by the Customer.
 - In the event of termination or cancellation of the Facility before the maturity date.

ibra' (rebate) will be calculated based on the formula below or any other calculation method as prescribed by Bank Negara Malaysia: -

$$ibra' \text{ (rebate)} = \text{deferred profit} - \text{early settlement charges (if any)}$$

8. EARLY SETTLEMENT

Subject to providing one (1) month prior written notice to the Bank, the Customer may make an early settlement of the Outstanding Amount, either in full or in part, whereby the said notice is irrevocable, and the Customer must make the early settlement on the date specified in the notice.

9. EVENTS OF DEFAULT

The Bank reserves the right to terminate the Facility at any time and demand full payment of all Outstanding Amounts directly from the Customer if any of the following events occur:-

- The Customer fails to make any Monthly Payments when due or the Customer is declared bankrupt or is unable to pay, or judgment is obtained against the Customer by a third party;
- A receiver or trustee is appointed to take over ownership of the Customer's assets or any bankruptcy proceedings are taken against the Customer's assets;
- Default occurs in any agreement involving loans, financing or credit advances to the Customer by any other creditor, giving the right to the creditor (including the Bank) to recall the Facility or accelerate payment or withdraw the credit advances;
- Default on any terms and conditions in this Terms and Conditions;
- The Customer is deceased, is declared bankrupt or becomes of unsound mind;
- The Customer retires, resigns or terminates service with the current employer or the financing monthly salary deductions have ceased or are affected;
- Any security documents and/or supporting documents cannot be executed or become invalid for any reason whatsoever;
- Changes in laws or regulations that result in an offence for the Bank to continue providing the Facility to the Customer;
- Should any event occur that, in the Bank's opinion jeopardises the Customer's ability to fulfill any obligations contained herein and/or any security documents and/or supporting documents;
- In the event the Bank's appointment as the Customer's agent is cancelled, withdrawn or rescinded by the Customer under/as a result of any circumstances whatsoever; or
- In the event the Bank is prevented from processing any information or data provided to it by the Customer.
- If there is any indication that the Facility is being used for Shariah non-compliant purposes.
- Notwithstanding the above, the Bank reserves the right to terminate the Facility at its discretion at any time including before the Facility is utilised if deemed necessary by informing the Customer, although under normal circumstances, this right is not expected to be exercised.

10. INFORMATION DISCLOSURE

The Customer grants full authorisation to the Bank to disclose, at the Bank's discretion, all or any information and documents relating to the Facility and Customer to/for:-

- the closest heirs of a deceased Customer/solicitor representing the closest heirs intending to seek a court order concerning the Facility;
- administrators/executors/beneficiaries of a deceased Customer who have applied for a court order concerning the deceased Customer and to the Solicitors representing them;
- solicitors representing any party that has obtained a court order concerning the Facility, whether the court order specifically authorises or not the disclosure of information and documents relating to the Facility;
- Bank Negara Malaysia/other relevant authorities acting under the powers conferred under any applicable laws;
- takaful companies, takaful consultants, brokers, loss adjusters according to any takaful certificate obtained by the Bank or according to any claims to be made by the Bank under such takaful certificate in relation to the Facility;
- the purpose of any legal action/proceedings filed against the Bank by any third party in connection with the Facility;
- the police/other investigating authorities, for the purpose of their investigation into any crimes (including any money laundering activities and terrorism financing activities) whether by the Customer or otherwise;
- the police/other investigating authorities for the purpose of making reports by the Bank and investigations therein, if the Bank believes that a crime has been committed, the police/other investigating authorities

may assist the Bank in preventing/recovering losses incurred by the Bank/to prevent a crime;

- ix) statutory bodies, agencies and government departments in carrying out their functions and duties;
 - a. the Bank's vendors for the purposes of procuring any product and services by the Bank (if so desired);
 - b. any external service providers/service providers appointed by the Bank;
- x) any parties that in the future express intention to obtain any interest/shareholding in the Bank/pursuant to any proposed arrangement, composition, merger, acquisition/restructuring between the Bank and such parties;
- xi) external auditors, external solicitors, debt collection agents, external consultants and the Bank's external professional advisors and to any person or company providing the Bank with any services and expertise related to legislation, accounting, auditing, credit, administration, processing, data management or other advisory services and the AmBank Group, as may be required in the execution of their functions, duties and responsibilities satisfactorily to the Bank and AmBank Group;
- xii) companies that may in the future become subsidiary companies, related companies or affiliates of the Bank;
- xiii) any third party, as implied or required under any applicable law;
- xiv) any third party deemed appropriate by the Bank, taking into account public interest, allegations of fraud/forgery/any crimes allegedly carried out through the Facility by the Customer.
- xv) the Salary Deduction body for salary deduction matters.

The Customer further agrees that if any legal proceedings are initiated by the Bank against the Customer based on the Facility, whether to recover any amount of money due to the Bank or otherwise, the Customer agrees, authorises and allows the Bank to disclose any details, information related to the Customer and relevant legal documents pertaining to such legal proceedings to any credit reporting agency registered under the Credit Reporting Agencies Act 2009.

11. PRIVACY CLAUSE

- i) The Customer confirms that he/she has read, understood and agreed to be bound by the AmBank Group Privacy Notice (available at www.ambankgroup.com) and this clause, that may be related to the processing of his/her personal data. To avoid doubt, the Customer agrees that the Privacy Notice is deemed to have been consolidated by reference to the Privacy Clause in this Terms and Conditions.
- ii) In the event the Customer provides personal and/or financial information of third parties, including information regarding their immediate family and dependents for the purposes of opening or operating the Facility with the Bank or alternatively subscribing to products and services of the Bank, the Customer is required to:
 - a. confirm that he/she has obtained consent or otherwise has the right to provide information to the Bank and for the Bank's use in accordance with this Terms and Conditions;
 - b. agree and ensure that the personal and financial information of the third parties is accurate;
 - c. agree to provide updates in writing if there are any changes to the personal and financial information; and
 - d. agree to the Bank's right to terminate the Facility in the event the authority is withdrawn by any such third party.
- iii) The Bank and AmBank Group may communicate with the Customer by way of various channels, including telephone, e-mail, electronic/mobile messaging, facsimile or postal mail, using the contact information provided by the Customer.
- iv) The most recent written instructions from the Customer will be applicable.
- v) The Bank may use credit reporting agencies to assist in making decisions, for example, when the Bank is required to:
 - a. review details of the Facility application, financing and other related financing provided to the Customer;
 - b. manage and review the Facility; and/or
 - c. claim outstanding payments.
- vi) The Customer will be linked by credit reporting agencies to any other name used or may have been used by the Customer, and any applicants, both jointly and separately. The Bank may also share information about the Customer and how the Customer manages the Facility with relevant credit reporting agencies.

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- vii) Although the Customer has provided information to the Bank, the Customer has the option to revoke the consent given earlier. In such circumstances, the Bank reserves the right to not provide or to terminate the provision of the Facility linked to material information.
- viii) The Bank reserves the right to amend this clause from time to time by giving at least twenty-one (21) calendar days' notice to the Customer.
- ix) This Clause is without prejudice to Clause 10 in this Terms and Conditions regarding Information Disclosure.

12. LEGAL FEES AND OTHER COSTS

- i) All charges and incidental expenses related to the preparation and execution of the financing shall be borne by the Customer even if the Customer fails to complete any financing documents and/or utilise the Facility.
- ii) The Customer shall bear the expenses related to the Facility including the Bank's legal fees if required to claim any amount outstanding or due from the Customer through any legal process. Any charges imposed under this Terms and Conditions are subject to BNM's guidelines.

13. WAIVER OF CONDITIONS PRECEDENT

It is hereby acknowledged and noted that any condition precedent contained in this Terms and Conditions for the benefit of the Bank may be waived either wholly or partially by the Bank without prejudice to its rights, and such waiver shall not affect the Bank's right to ensure the Customer complies with any conditions precedent so waived in the future.

14. APPORTIONMENT

The Bank reserves the right to apportion any payments received from the Customer either in full or in part towards the payment of the Facility Amount, profit or any other outstanding and payable amounts in such order as deemed appropriate by the Bank.

15. SEVERABILITY

At any time during the tenure of the Facility, should any provision contained in this Terms and Conditions become invalid, void, or unenforceable under the law or pursuant to any determination made or decided by the Bank Negara Malaysia Shariah Advisory Council, it shall not in any way invalidate any other provisions contained in this Terms and Conditions.

16. EXEMPTION

Without prejudice to any provision, any failure or delay on the part of the Bank in exercising any rights, powers or remedies under the terms of this Agreement shall not be construed as an exemption and shall not affect any such rights, powers or remedies.

17. TIME

Time, whenever mentioned, shall be of the essence in all transactions under this Facility.

18. NO DEDUCTION, SETTLEMENT BY THE CUSTOMER

All payments made by the Customer are without any deductions, settlement or counter-claims.

19. RELATED PARTY TRANSACTION

The Customer hereby declares to the Bank that neither their parents, spouse nor children are employed by the Bank. The Customer hereby undertakes to promptly notify the Bank in writing if their parents, spouse or children become employees of the Bank in the future.

20. VARIATION TO TERMS

The Bank may, subject to Shariah Principles, amend or revise any provision in this Terms and Conditions by written notice of at least twenty-one (21) calendar days in advance to the Customer or through any means deemed appropriate by the Bank. After the lapse of twenty-one (21) calendar days upon issuance of the written notice regarding the amendment and revision of any provision of this Terms and Conditions by the Bank, the Customer continues to maintain the Facility, then the Customer is deemed to have accepted the said amendment and revision.

21. SUSPENDED ACCOUNT

Monies received under this account shall be maintained in a suspended account without any income for such period as the Bank deems fit. The Bank shall not be held liable for using the monies to pay any money or liabilities owed by the Customer.

22. BINDING ON HEIRS

These Terms and Conditions are binding on the Customer, his/her heirs, representatives and successors (if applicable) and shall be enforced by and for the benefit of the Bank and its successors.

23. NOTICE

- i) Any demand or notices to the Customer under this Terms and Conditions shall be in writing and shall be signed by an authorised general manager, manager or officer of the Bank or any solicitor or law firm acting on behalf of the Bank.
- ii) Any demand or notices (including but not limited to a writ of summons and legal notice of demand) shall be sent to the Customer by way of ordinary post or delivered by hand to the Customer's address as stated in his/her application or the Customer's usual or last known business, employment or residential address.
- iii) Any such demand or notices sent by post shall be deemed to have been received by the Customer five (5) days after being posted, and delivery by hand shall be deemed received at the time of delivery, even if the demand or notice is returned as undelivered or unclaimed.
- iv) Any notice required to be given under this Terms and Conditions to the Bank shall be in writing and must be signed by the Customer. Such notice shall be sent to the Bank by registered post or delivered by hand to the Bank at the address stated herein or any other address notified by the Bank to the Customer and shall only be deemed to have been delivered to the Bank on the actual date of receipt by the Bank.
- v) Any letter of demand, notice, statement, reminder or certificate (hereinafter generally referred to as "**the Said Document**") given by the Bank does not require the signature of any Bank officer wherein it has been stated in the Said Document that it is computer-generated and does not require any signature.

24. CONSEQUENCES OF DEFAULT

Notwithstanding the payment terms above, in the event of any default on any account, agreement and/or facility with the Bank or any party which, in the opinion of the Bank, may jeopardise the ability of the Customer to fulfill his/her obligations under the Facility, the Bank reserves the right to demand payment in full of any outstanding amounts owed to the Bank and/or take any steps contained herein accordingly.

25. MERGER AND CONSOLIDATION OF ACCOUNTS

The Bank hereby reserves the right to merge or consolidate any accounts and/or the Facility anywhere along with all the Customer's liabilities, obligations and securities to the Bank and to utilise the entirety, including any monies in the Bank's deposits or through a salary deduction scheme of the Salary deduction Body to settle any debt ("**Debt**") and obligations of the Customer to the Bank.

26. RIGHT TO FREEZE AN ACCOUNT

The Customer agrees that in the event of default in payment of any Debt due to the Bank and/or AmBank Group under any facility provided by the Bank and/or AmBank Group, the Bank has the right to freeze an amount from the balance in any of the customer's personal accounts equivalent to the total amount of the overdue Debt by giving at least twenty one (21) calendar days' notice to the Customer to settle the overdue Debt payment.

27. RIGHT OF SET-OFF

The Bank reserves the right to set-off unpaid balances in the financing account with any credit balances in any of your accounts held with the Bank. The Bank shall provide a written notice with at least seven (7) calendar days' notice to you in the event the Bank intends to make deductions from your account held with the Bank to settle any outstanding financing payments.

If the Customer fails to clear the defaulted Indebtedness within the seven (7) calendar days period, the Bank is entitled to fully set-off any Available Balance with the full amount of defaulted indebtedness to be paid.

28. RIGHT TO REVIEW

The Bank retains the right to review and terminate the facility granted to you in the event there is any indication that the facility is being used for Shariah non-compliant activities or upon occurrence of any other event of defaults as agreed in the financing agreement.

29. RIGHT TO OUTSOURCE DEBT COLLECTION

If any money payable under the Facility is required to be recovered from the Customer, the Bank reserves the right, after providing seven (7) calendar days prior notice to the Customer, to outsource the debt collection to an external collection agency, by sending such notice to the Customer's last known address and the Bank shall be deemed to have fulfilled this obligation. The Bank shall provide the Customer with the name and contact details of the appointed third-party debt collection agency whom the Bank has outsourced the collection of all and any sums due to the Bank from the Customer

30. INTERPRETATION

The headings used herein are for convenience only and shall not be used in the interpretation of the terms and conditions contained in this Terms and Conditions.

31. OTHER CONDITIONS

- i) The Customer acknowledges that he/she does not rely on any related matter or the Bank's agent intending to advise, represent or promise, and which are not expressly stated in this Terms and Conditions. Even if any advice is given, the Customer agrees that such advice shall not bind the Bank or serve as a defence or support any claims by the Customer in any legal action.

The Bank may exercise any existing rights, powers and/or remedies available, whether stated herein or provided to the Bank by law even after delay. All rights and powers of the Bank under the law or equity may be used although the said rights and powers overlap with the rights and powers granted under this Terms and Conditions. If the Bank does not take any action when the Bank is entitled to do so, it shall not mean that the Bank:

- a. has agreed to the Customer's default; or
 - b. has released the Customer's obligations under the default; or
 - c. is prevented from taking any subsequent action.
- ii) Where the Bank has expressly waived a Customer's default, it will not prejudice the Bank's rights, powers and remedies of the Bank for any other defaults committed by the Customer, whether occurring before or after the said waiver.

32. SALES AND SERVICE TAX ACT 2018

Unless otherwise provided in this Terms and Conditions, the parties agree that any fees or charges and other monies required to be paid under this Terms and Conditions shall include Taxes as applicable under the provisions of the Sales and Service Tax Act 2018 and other applicable laws, if any.

33. ANTI-MONEY LAUNDERING, ANTI-TERRORISM FINANCING AND PROCEEDS OF UNLAWFUL ACTIVITIES ACT 2001

- 33.1 The Customer agrees and confirm that the Customer shall at all times adhere and comply with the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act ("**AMLATFPUAA**") in respect of all transactions and the Customer acknowledges and warrants that:

- (a) unless and until the Customer notifies the Bank otherwise in writing:
 - i. the Customer is the principal in respect of this Facility;
 - ii. apart from the Customer, no one has or will have any interest in respect of this Facility.
 - iii. all monies to be paid to the Bank, shall at all times come from lawful sources or legitimate activities and not from any unlawful activities, as defined under the AMLATFPUAA.
- (b) when notified that the Customer is acting as an intermediary for others:
 - i. the Bank may request, and the Customer agrees and undertakes to provide identity verification of the beneficiary and any other

information as required by the Bank, including but not limited to certified copies of any powers to act or documents that may be requested for the purpose of verifying the information provided by the Customer, copies of which may be retained by the Bank;

- ii. the Customer further declares and confirms that the necessary "know-your-customer" verification has been conducted, including but not limited to the beneficiary's identity, existence, address and type of business, and it is confirmed by the Customer that the monies or funds are from lawful sources or legitimate activities and not from any unlawful activities as defined under AMLATFPUAA; and
- iii. further, it is hereby agreed unequivocally and understood that the provision of the beneficiary's details by the Customer shall not make the beneficiary a customer of the Bank and the Bank reserves the right to consider the Customer as the principal.

33.2 In addition to Clause 33.1 (a) and (b) herein, the Customer hereby agrees and acknowledges unequivocally that:

- (a) The Customer shall disclose and provide the Bank any information required or deemed necessary and to the Bank's satisfaction promptly within the period specified by the Bank, whether or not for the purpose of complying with the laws, orders, regulations, directives and guidelines of BNM and/or issued, made or established by the Bank;

(b) While the Bank awaits the receipt of information from the Customer and until such information is received and verified to the satisfaction of the Bank and/or relevant authorities, the Bank shall not be expected to proceed with any transactions or payments or to accept any monies or funds;

(c) The Customer shall not utilise the Facility for money laundering or violate any laws related to money laundering as defined under AMLATFPUAA; and

(d) The Bank or companies within the AmBank Group shall not be responsible for any direct or indirect loss arising or any loss occurring whatsoever in connection with the Bank carrying out its duties under the laws currently in force, specifically but not limited to its statutory obligations under AMLATFPUAA.

34. LAWS

This Terms and Conditions shall be deemed to be a contract made under the laws of Malaysia and for all purposes shall be subject to and interpreted in accordance with the laws of Malaysia and the parties hereby agree to submit to the exclusive jurisdiction of the courts in Malaysia.

35. RIGHT TO ASSIGN

The Bank reserves the unconditional right to transfer/assign to any other person the Bank's rights, benefits and interests under this Terms and Conditions.
