

GENERAL TERMS AND CONDITIONS FOR TERM FINANCING-I SECURED BY ASB/ASB2 CERTIFICATE

REMINDER: Applicant and co-applicant (if any) are hereby reminded to read and understand the terms and conditions stated herein and the Bank encourage you to seek and obtain your own independent legal advice before signing the Application Form. In the event there are any terms and conditions herein that the Applicant do not understand, the Applicant and/or co-applicant (if any) are hereby advised to discuss further with the Bank's authorised representative before signing the Application Form

1. DOCUMENTATION

- 1.1 The applicant and the co-applicant (if any) (as named in the application form ("Application Form") for term financing-i secured by Amanah Saham Bumiputera ("ASB") or Amanah Saham Bumiputera 2 ("ASB2") certificate ("Facility")) hereby agrees with AmBank Islamic Berhad (Company No. 199401009897 (295576-U)) ("Bank") that this General Terms and Conditions shall be read together with the Application Form executed by the applicant and co-applicant (if any). The applicant and the co applicant (if any) shall be referred to as "Customer".

2. INTERPRETATION

- 2.1 This General Terms and Conditions, the Application Form and all other documents relating to the Facility shall form a binding agreement of this Facility.

3. FACILITY

- 3.1 The Facility is an Islamic term facility secured by ASB or ASB2 certificate ("ASB Certificate") and based on the Shariah concept of *Murabahah*, *Tawarruq*, *Wakalah* and *Wa'd*.

Murabahah refers to the sale and purchase of a commodity where the acquisition cost and the mark-up are disclosed to the customer.

Tawarruq means an arrangement that involves two sale and purchase contracts. The first involves the sale of the commodity by the Bank to the customer on deferred payment at cost plus profit basis whereby the purchase price and the sale price are disclosed to the customer. Subsequently, the customer will sell the same commodity to a third party on cash and spot basis.

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

Wakalah refers to a contract in which a party as principal (*muwakkil*) mandates another party as agent/ wakil to perform a particular task. In this Facility, the Customer appoints the Bank as an agent of the Customer to perform the *Murabahah Tawarruq* transaction.

- 3.2 Purchase Request and Undertaking to Purchase

- a) the Customer will issue a request and give an undertaking ("Purchase Request and Undertaking to Purchase") to purchase an identified commodity ("Commodity") from the Bank at the sale price ("Bank's Selling Price"). The Bank's Selling Price comprises of cost to acquire the commodity (equivalent to the "Facility Amount") plus the Bank's profit where the profit is calculated based on the following formula:
$$\text{Profit: Commodity Cost (equivalent to Facility Amount approved)} \times \text{Profit Rate} \times \text{Tenure}$$

The exact amount of the profit payable by the Customer will be notified by the Bank to the Customer in the Commodity Murabahah Notice.

- b) pursuant to the Purchase Request and Undertaking to Purchase, the Bank (in its own capacity) will proceed to purchase the Commodity from the commodity supplier.

- 3.3 Appointment of the Bank as Agent

- a) The Customer may appoint the Bank to be its agent to sell the Commodity and to execute and perform the *Murabahah* Sale Contract for and on its behalf.
- b) The appointment of the Bank as the agent of the Customer shall be in accordance and substantially in the application form for the appointment of the Bank as the purchasing and sale agent ("Appointment of Agent").
- c) Subsequently and pursuant to the Appointment of Agent, if requested by the Customer, the Bank on behalf of the Customer will sell the commodity to a third-party purchaser on cash basis and the proceeds will be paid to or for the benefit of the Customer in accordance with the terms of *Murabahah* Sale Contract.

- d) The Customer shall be bound by all acts and transactions from time to time entered by the Bank as its agent under and in accordance with terms of the Appointment of Agent.
- e) The Customer undertakes to indemnify the Bank from each and all claims, losses, costs, expenses or damage that the Bank may suffer or incur as a result of executing and performing the Bank's agency function as set out above and in the Appointment of Agent save and except and to the extent of any ta'addi (misconduct), taqsir (negligence) or mukhalafah al-shurut (breach of specified terms) on part of the Bank.
- f) Notwithstanding the Appointment of Agent, the Bank may, pursuant to the terms under the Appointment of Agent, under circumstances where it is prudent for the Bank to refrain from acting including but not limited to where there is unauthorized activities, refrain, defer, delay and/or refuse to act as agent of the Customer by informing the Customer, and the Bank shall not be liable for any consequences of whatsoever nature arising from or due to the inaction as aforesaid, unless the consequences are caused by the Bank's error, omission, misrepresentation or negligence.

- 3.4 *Murabahah* Sale Contract

- a) Upon the Bank's purchase of the Commodity from the commodity supplier, the Bank and the Customer (through the Bank as its Agent) will enter into a *Murabahah* Sale Contract in which the Bank sells to the Customer and the Customer purchases the Commodity from the Bank at the Bank's Selling Price. The Customer shall pay the Bank's Selling Price on deferred payments basis;
- b) The *Murabahah* Sale Contract shall be deemed to have been concluded upon its execution by both the Bank and the Customer; whereupon the beneficial ownership to the Commodity (including any warranty, express or implied thereto) together with the right to take delivery of the Commodity and all risks and liability associated with the Commodity shall immediately pass from the Bank to the Customer;
- c) The Commodity when purchased by the Customer from the Bank shall be on as "as is where is" basis provided that its specification and quality are as mentioned in the Identification Documents and the Customer shall have no remedy against the Bank in respect of quality, condition, or otherwise in respect of the Commodity. The Customer irrevocably and unconditionally waives any right of warranty and any claim of defect liability in respect of the Commodity against the Bank.
- d) In the event the Customer intends to take delivery of the Commodity, the Customer will bear all costs and expenses (including takaful/insurance) for the delivery of the Commodity.
- e) The Bank will retain the relevant certificate of identification and ownership of the Commodity in its custody in trust for the benefit of the Customer pending subsequent sale of the Commodity to a third-party purchaser including *Bursa Suq Al-Sila'* by the Bank acting as agent of the Customer pursuant to the Appointment of Agent.
- f) Upon written request, the Customer shall have the right to inspect and/or be furnished a photocopy of the certificate of identification and ownership of the Commodity.
- g) If the Customer wishes to sell the Commodity in the market to a third party for cash and on spot basis, the Customer may appoint the Bank as the Customer's agent to undertake such transaction on behalf of the Customer pursuant to the Appointment of Agency.
- h) The *Murabahah* Sale Contract may be terminated by either the Bank or the Customer due to breach of specified terms or subject to and upon mutually agreed terms between the Bank and the Customer whereupon, the Commodity will be returned to the Bank and the Bank's Selling Price (less rebate) will be returned to the Customer. In the event that the Commodity has been sold to the Commodity

Purchaser, an amount equivalent to the value of the Commodity will be returned to the Bank.

- 3.5 The Purchase Request and the Undertaking to Purchase, the *Murabahah* Sale Contract and the Appointment of Agent shall be executed in the forms as prescribed by the Bank.
- 3.6 Trading fees in relation to sale and purchase of Commodity pursuant to this Facility incurred by the Bank, if any, shall be solely for the account of the Customer (unless otherwise agreed by the Bank).
- 3.7 The Bank shall deliver to the Customer a Disbursement Letter informing the confirmation of Customer's commodity purchase and sale transactions along with a notification that the Facility Amount has been disbursed to the Customer.
- 3.8 As the security for the Facility, the Bank will hold the ASB Certificate in its custody, whether in physical or electronic form and the Customer will issue a letter of declaration declaring that the Bank is entitled to hold the said ASB Certificates as security for the Facility.

4. EFFECTIVE DATE

- 4.1 This General Terms and Conditions will take effect from the date this Facility is approved.

5. CONDITION PRECEDENT FOR DISBURSEMENT

- 5.1 The Facility Amount will only be disbursed after all condition precedents in this General Terms and Conditions are met to the satisfaction of the Bank.
- 5.2 Completion of all the documents required under *Murabahah Tawarruq* transaction, i.e. the Purchase Request and Undertaking, Appointment of the Bank as Agent and *Murabahah Sale Contract*.
- 5.3 The Customer completes and signs the Application Form.
- 5.4 The Bank has received a copy of the *takaful* policy (if any) taken up by the Customer in relation to the Facility.
- 5.5 The Bank is satisfied with the confirmation pertaining to the Customer's entitlement to purchase the relevant ASB/ASB2 units and the Bank's credit search on the Customer from any reference agencies deemed necessary by the Bank shows no negative indications of the Customer.

6. DISBURSEMENT TERMS

- 6.1 The Bank will remit the Facility Amount (equivalent to proceeds from sale of the commodity to third party) that was approved by Bank to the ASNB.
- 6.2 The Customer will be given a seven (7) calendar days' prior notice if there are any changes to the method of disbursing the sale proceeds.

7. PROFIT RATE

- 7.1 The Customer agrees to pay the profit rate charged on the Facility at a rate determined by the Bank. The profit rate is part of the calculation of the Bank's sale price.
- 7.2 In the event of any change in the standardised base rate as specified in the Application Form, the Bank may vary the effective profit rate with prior written notice of seven (7) calendar days to the Customer. For the avoidance of doubt, the increment of the effective profit rate, shall not exceed the ceiling profit rate.

8. AMBANK SALARY DEDUCTION SCHEME

- 8.1 Customers may select up to three financing products to be enrolled under the AmBank salary deduction function. This limit is designed to help manage repayment/payment commitments effectively and ensure a smooth experience.
- 8.2 Should you wish to apply for more than three products, any additional applications will be processed through our standard application procedure, without salary deduction. In the event the financing needs to be reassessed due to max salary deduction facility hit, all costs (if any) incurred will be borne by customer.
- 8.3 Customer is reminded to ensure there is sufficient fund in the salary crediting account for payment purpose in the event salary is insufficient to settle the instalment/payment in entirety, or failed deduction due to reasons including but not limited to, posting restriction, insufficient salary amount, missed salary payout, salary payout via non-AmBank@work Payroll Solutions, etc.
- 8.4 For Customers who applied for Salary Deduction Scheme, regardless of instalment/payment due date, once salary is credited, the

instalment/payment amount due will be deducted on the same day (or the next day if salary is credited after the Bank's cut off time) for payment purposes.

- 8.5 In the event Customer is no longer AmBank@work Customer* and/or opts out from Salary Deduction Scheme, the Bank reserves the right to revise the profit rate with prior notice to Customer.

* Customer is no longer an AmBank@work customer if customer's employer is no longer subscribed to AmBank@work Payroll Solutions, and/or failed to have salary credited via the payroll systems for 3 months continuously.

- 8.6 For Customer who applied for Salary Deduction Scheme, the Customer is required to sign up for auto-debit facility via AmBank@work Current/Savings Account/-i for payment purposes.

9. PAYMENT BY CUSTOMER

- 9.1 The Bank's sale price shall be paid according to the number of monthly instalments informed by the Bank to the Customer.
- 9.2 The first instalment shall be paid by the Customer in accordance with the following specified dates:
- a) For disbursement of full Facility Amount made on the 1st to the 14th day of the month, the first monthly instalment due date shall be on the 5th day of the next month.
- b) For disbursement of full Facility made on the 15th to the end of the month, the first monthly instalment due date shall be on the 5th day of the following month.

The payment of the following installments shall be made on the corresponding date of each successive calendar month until the full Bank Sale Price and other payment the Customer agrees to pay in this) General Terms and Conditions ("**Indebtedness**") is paid and fully settled.

- 9.3 All payment shall be made to the Bank fully without any set-off and/or any other deduction for tax or any other deductions unless specified within this General Terms and Conditions.
- 9.4 All payments made under this Facility by the Customer will be applied to settle the outstanding amount, monthly Instalment and/or other corresponding charges due and owing by the Customer to the Bank herein.
- 9.5 The Bank's sale price which is paid in monthly installments and the period of installments cannot be changed by the Customer without the written consent of the Bank.
- 9.6 The Customer undertakes to make satisfactory and sufficient arrangements for the payment of monthly instalment in accordance with the General Terms and Conditions even if he is outside of Malaysia for any period of time.
- 9.7 If the Bank makes claims against the payment of the Bank's sale price, the Customer shall be responsible to pay the late payment charges on the amount still outstanding or monthly installments that were not paid from the claim date until full settlement of the Indebtedness. The late payment charges will be accrued on a daily basis (after the judgment or order of the courts as well as before such judgment or order of the court is granted) and the late payment charges that were not paid will be debited to the Customer's account at the end of each calendar month.

10. PREPAYMENT/EARLY SETTLEMENT AND *IBRA'* (REBATE)

- 10.1 If the Customer wants to settle the Bank's Sale Price fully before the facility instalment's period ends, the Customer is required to give the Bank a one (1) month prior written notice.
- 10.2 The Bank will give *ibra'* (rebate), if any, on the remaining amount of the Bank's Sale Price which has not been settled by the Customer based on the following situations:
- a) For variable profit rate, if the amount of profit calculated based on the effective rate of profit is lower than the total profit calculated based on the ceiling/contracted profit rate.
- b) Based on the full settlement of the Facility by the Customer in the following situation:
- i. Redemption or prepayment of the Facility;
- ii. Due to a restructuring of the Facility;
- iii. In case of default by the Customer;
- iv. In the event of termination or cancellation of the Facility before its expiry. *Ibra'* (rebate) will be calculated based on the following formula as prescribed by Bank Negara Malaysia:

Ibra' (rebate) = deferred profit – early settlement charges.

- 10.3 Upon full settlement by the Customer of the Facility and all other amount owed to the Bank, the Bank shall release to the Customer the relevant ASB Certificates from any encumbrances.

11. PARTIAL RELEASE OF FACILITY

- 11.1 A Partial release allows the customer to withdraw the cash value from the portion of the principal that has been paid off from the financing.
- 11.2 The minimum principal amount that can be released is RM1,000 (requirement by ASNB). Partially blocked units will be released and credited to customer's (Unit Holder's) cash investment account.
- 11.3 The collateral value will reduce in accordance with the released amount.
- 11.4 Other financing details and features of the facility account will remain unchanged.

12. PARTIAL REDEMPTION OF FACILITY

- 12.1 This feature allows the Bank to reduce the customer's financing outstanding balance without the need for the customer to fully redeemed the certificate units.
- 12.2 By opting for partial redemption, customer's original financing amount remains unchanged. However, new principal balance will be maintained in the customer's financing account.
- 12.3 Instalment amount will be recalculated based on the new principal balance and remaining tenure. The customer will continue to pay the financing with the new instalment amount.
- 12.4 The collateral value for the financing will reduce in accordance with the redeem amount.
- 12.5 Only instalment amount and collateral value will be changed and other financing details and features of the facility account will remain unchanged.

13. LATE PAYMENT CHARGES

- 13.1 In the event the Customer fails or defaults in paying any outstanding amount owed to the Bank, the Bank is entitled to impose late payment charge on the outstanding amounts which shall be calculated as follows:
- a) Prior to maturity date
Late payment charges rate: 1% per annum calculated on daily basis. On the amount of:
- i. Overdue instalments, to be calculated after the due date until the full settlement of the overdue instalments; and/or
- ii. The outstanding balance, to be calculated from the date of cancellation until full settlement of the outstanding balance.
- b) After maturity date
Late payment charges rates: Current Islamic Interbank Money Market rate (IIMM) per annum calculated on daily basis.
On the amount of: The outstanding balance calculated from the maturity date until full settlement.
- c) After the Bank had obtained court judgment against the Customer
Late payment charges rates: IIMM rate per annum calculated on daily basis from the date of court judgment to the settlement date.
On the amount of: The outstanding balance (excluding legal cost and late payment charges as stated in the judgement) to be calculated from the date of judgement until full settlement of the judgement sum.
- Note:
- i. Late payment charges shall not be compounded.
- ii. Total late payment charges shall not be more than the outstanding principal.
- iii. The late payment charges and method of calculation thereof are subject to change as may be prescribed by Bank Negara Malaysia.
- iv. Outstanding balance refers to principal balance and earned profit.
- v. The late payment charges are cumulative and subject to the applicable period.

14. RIGHTS TO TERMINATE THE FACILITY

- 14.1 The Bank has the right to terminate or withdraw the Facility at any time (including before the issuance of the Facility) if there is any breach of any provision of these General Terms and Conditions by giving reasonable notice to the Customer. After the termination or withdrawal of the Facility, the Bank has the right to demand payment for all outstanding amount owed by the Customer under this Facility.

- 14.2 The Bank also has the right to suspend or discontinue the issuance of

this Facility by reasonable notice to the Customer if the Bank is aware and have reason to believe that:

- a) Any document given by the Customer is fake, untrue or is confusing.
- b) there are any misrepresentations in the application for the Facility by the Customer.

- 14.3 If in the event that the Facility is terminated after the Facility Amount has been remitted to ASNB and the ASB Certificate has been issued, the Bank shall proceed to redeem the ASB Certificate and the proceeds shall be used to settle the outstanding amount under the Facility.

15. REPRESENTATIONS AND WARRANTIES

- 15.1 The Customer gives the following representations and warranties that:
- a) the Customer is authorised to enter and undertake the obligations as stated in these General Terms and Conditions.
- b) no situation has happened which caused (or by giving notice or lapse of time or both which has caused) the happening of one or more Event of Default as stated below;
- i. Customer did not breach any agreement that may have a significant effect and will affect the condition of his financial status;
- ii. the Customer confirms that all the documents and information provided by the Customer (including the information in the Application Form) are in good faith are true and correct. When the Bank receives the documents, the Customer's signature in the Application Form will be legally binding on the Customer and this shall not be disputed; and
- iii. the Customer agrees and/or consents for all telephone conversations (if any) made between the Bank's employees and the Customer will be recorded by the Bank for record/verification purposes.

16. EVENTS OF DEFAULT

- 16.1 The Bank reserves the right to end and/or to withdraw the Facility and claim for full payment of the indebtedness if: -
- a) The Customer fails to make any payment for the Indebtedness or any other financing or facilities the Customer has with the Bank at the relevant maturity date(s).
- b) In the event that there is any default on any of the obligations stated under this Terms and Condition or in any existing facilities with the Bank or AmBank Group;
- c) The Customer acknowledges in writing or otherwise of his inability to pay the Indebtedness when the Indebtedness matures or the Bank reasonably believes that the Customer cannot pay such indebtedness when the Indebtedness becomes due.
- d) Any bankruptcy proceeding is initiated against the Customer.
- e) Any distress or other orders executed on or against any part of the property belonging to the Customer and is not discharged within fourteen (14) calendar days from the date of order given.
- f) Any debt of the Customer to third party which are not settled on the maturity date or has become payable before its maturity as stated or any guarantees given by the Customer is not fulfilled when it has reached the maturity date and is claimed.
- g) Any representation or warranty made by the Customer to the Bank is not true when it is made (or deemed to be made) or it is repeated at any time when referred to the fact that at the time it was given, has cease to be true and accurate in any aspect.
- h) The provision of this Facility is a related party transaction; and
- i) The Customer passed away or became insane or mentally unfit.
- 16.2 The Customer must immediately inform the Bank in writing of the occurrence of any of the situation stated above except sub-clause (i) above, where the successor or close family or representative from the Customer must inform the Bank in writing, should the said events occur.
- 16.3 The Customer agrees to indemnify the Bank against any losses, damage or liability suffered by the Bank as an effect from any of the above Events of Default.
- 16.4 The Bank reserves its right to liquidate the ASB Certificates which are pledged in favour of the Bank if the Facility has not been updated or if there are any arrears of two (2) months or more although the Bank has issued reminders to the Customer. The Bank shall send a notification to

the Customer upon completion of liquidating the ASB Certificates.

17. CHANGES OF CIRCUMSTANCES

17.1 In the event that any changes in the laws, rules, guidelines or requirements by the authorities (or in its interpretation or implementation) takes place or due to the compliance by the Bank to any direction, requests or requirements applicable (whether it has any legal effect or not), the Bank is being imposed with any conditions, burden or additional obligation which will make it unduly onerous for the Bank to maintain the Facility, the Bank may terminate the Facility by giving reasonable notice to the Customer.

18. COST AND EXPENSES

18.1 All costs, charges and expenses incurred by the Bank related to or arise from or incidental to the Facility have to be paid by the Customer and become payable immediately.

18.2 All stamp duties and legal fees payable (evaluated on the basis of lawyer and client) or incurred by the Bank:

- a) related to or incidental to the provision of the Facility; and/or
- b) related to enforcement of its rights under the Facility, has to be paid by the customer.

19. RESTRUCTURING

19.1 This General Terms and Conditions is valid and binding on all parties even if one party has changed due to any mergers, restructuring or other like circumstances and no changes on any party that will affect their existing liabilities and obligations, whether it is from the past, present or future.

20. SUSPENSE ACCOUNT

20.1 Under limited circumstances where it is reasonably necessary including but not limited to when the Customer's account has become impaired due to relevant ongoing legal proceeding, or when there is residual monies after deducting the amount due by the Customer any monies received from the Customer may be credited into a shariah compliant suspense account without any returns by the Bank. The Bank is not liable to use the money received or part of it for the payment of the Customer's Indebtedness to the Bank.

20.2 Regardless of the monies credited into the suspense account, if the Customer has gone bankrupt, the Bank may still prove and agree to receive any relevant dividends or compositions related to the Indebtedness due by the Customer to the Bank as if the money has not been credited.

21. CONSOLIDATING AND MERGING OF ACCOUNTS

21.1 The Bank may rightfully at any time but with written notice of at least seven (7) calendar days prior to the Customer, merge or consolidate any or all of the Customer's accounts (including joint accounts with other parties) regardless of location, for any liabilities and obligations due by the Customer to the Bank.

22. FINALITY OF CALCULATION

22.1 The Bank's calculation on the amount due and/or the outstanding amount of the Facility, save for manifest error, shall be conclusive and a binding on the Customer.

23. RIGHT TO FREEZE ACCOUNT

23.1 The Customer agrees that if the Customer defaults on his indebtedness to the Bank and/or AmBank Group under any facilities given by the Bank and/or AmBank Group to the Customer, the Bank is entitled to freeze all or part of the balance in any of the Customer's accounts (including joint account with any third party) with the Bank at any of its branches or offices ("Available Balance") equal to the total amount of debt defaulted by giving seven (7) calendar days' written notice to the Customer to clear the payment of the defaulted indebtedness.

23.2 The Customer agrees with the Bank that the Bank has the right to freeze any withdrawal and/or deposits into/from any of its accounts, without prior notice to the Customer, at any time upon the occurrence of any of the following events, including but not limited to when:

- a) The Bank is of the opinion that a mandate for an account has been abused;

- b) The Bank in its full discretion reasonably finds/discovers that information/document for personal documentation submitted to the Bank for opening of an account was later found to be fake/incorrect/amended/misrepresented;
- c) cheque/instrument of finance/amount credited into the account is a result of falsification/amended instrument and instruction/falsified transaction, with/without the Customer's involvement;
- d) a report is made by third party to the police /the Bank that the account has been used to make false transaction/savings/fraud/canvassing Customers for illegal deposit-taking or involved in illegal activities in any way. The Bank's decision to freeze the account shall depend on its own internal investigation or information by the police/authorities;
- e) death, bankruptcy or petition of winding up on the Customer, subject to the Bank being informed by any parties or if such is made known to it by any other means; or
- f) a notice of a proceeding is brought before the Bank notifying the Bank that the account holder is now a judgment debtor.
- g) the Bank is instructed to freeze the account by Bank Negara Malaysia/authorities under any applicable laws.
- h) the Customer fails to provide any information or documents requested by the Bank to the satisfaction of the Bank in a timely manner within the period specified by the Bank.

23.3 After freezing the account, the Bank on its absolute discretion and as it deems fit, transfer the frozen amount/Available Balance to an account without return until the resolution of relevant issue related to the said account/as instructed by the Court/relevant authorities.

24. RIGHT TO REVIEW

24.1 The Bank retains the right to review and terminate the facility granted to you in the event there is any indication 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. The Bank shall give a reasonable notice in writing

25. RIGHT TO SELL NON-PERFORMING FINANCING (NPF)

25.1 In the event the financing is in arrears for more than two (2) months, your ASB/ASB2 certificate will be liquidated immediately, and the proceeds will be used to settle all outstanding sums under the financing. You will also be responsible to settle any shortfall (if any) after the ASB/ASB2 certificate has been liquidated. The Bank reserves the right, after giving seven (7) calendar days prior notice to the Customer, to sell the rights to claim for all outstanding sums under the financing to a third party.

26. RIGHT TO SET OFF

26.1 The Bank reserves the right to set off unpaid balances in the financing account from any of your account(s) maintained with the bank. The Bank shall provide notification at least seven (7) calendar days to you if the Bank intend to make deductions from your account with the Bank to settle any outstanding financing payments.

26.2 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.

27. RIGHT TO OUTSOURCE DEBT COLLECTION

27.1 If any money payable under the Facility is required to be recovered from the Customer, the Bank reserves the right, after giving 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.

28. SECTION 47, ISLAMIC FINANCIAL SERVICES ACT, 2013

- 28.1 The Customer to the best of his/her knowledge and information after due and careful inquiry hereby declares and confirms that:
- a) the provision of this Facility is not a third-party transaction;
 - b) the facilities granted is not a related party transaction where:
 - i. the Customer is not a close relative to any connected parties of the Bank, or any of the Bank's subsidiaries and entities controlled by the Bank; and
 - ii. the Customer has no control over the Bank's connected parties.
- 28.2 The Customer hereby undertakes to inform the Bank immediately if any relationship exists or be known at any time and the Bank has the right to terminate the Facility.

29. AUTHORIZATION BY THE CUSTOMER

- 29.1 The Customer, by way of security, hereby authorizes fully the Bank and every delegate or sub-delegate (if any) as the Bank may designate as the Customer's authorized representative in the Customer's name or otherwise with full authority and powers of substitution, to execute and do all such assurances, acts and things which the Customer ought to do under the provisions of this General Terms and Conditions, to execute and complete any transfer or document which the Bank may require for perfecting its charge or security over the ASB units and/or to recover and/or to receive from any party involved all sums due to the Customer in respect of the ASB units and/or to enforce any right in respect thereof and give valid receipts and/or to take such proceedings at the Customer's cost and expense, whether by way of legal action, distress or otherwise as the Bank may in its discretion consider necessary or advisable and/or to enforce any of the rights aforesaid and the Customer hereby ratify and confirm all whatsoever acts and deeds done by the Bank as authorized above.

30. NOTICE

- 30.1 a) Any claim or notices to the Customer under this General Terms and Conditions shall be in writing and can be signed by the General Manager, Manager, or authorized Bank officer or any solicitors or law firms acting on behalf of the Bank.
- b) Claim or notice (including but not limited to the writ of summons and legal claims) shall be delivered to the Customer by regular post or delivered personally to the Customer's address as stated in the application or to the Customer's usual or last known place of business, employment or residence.
 - c) Claims or notices if delivered shall be taken to be served: (i) if it is personally delivered, at the time of delivery and duly acknowledged by the Borrower; and (ii) in the case of an ordinary post with certificate of posting, seven (7) calendar days after posting.
- 30.2 Any notices that need to be given to the Bank under this General Terms and Conditions shall be in writing and signed by the Customer. The notice can be delivered to the Bank by registered post or delivered personally to the Bank at the address stated herein or other address as informed by the Bank to the Customer and will only be considered delivered to the Bank on the date of the actual receipt by the Bank.
- 30.3 Any writ, notice, statement, reminder or certificate ("Said Document") given by the Bank shall not require signature of any Bank officer where it has been stated in the Said Document that it is computer generated and does not require any signatures.
- 30.4 A written statement by any duly authorized officer or agent of the Bank for that time being or computer-generated notices issued by the Bank which do not require signatures, provided as to the amount as such balance and liabilities incurred or due to the Bank or as to the rate of profit or the amount payable, shall be conclusive evidence for all purposes (including but not limited to legal proceedings).
- 30.5 Subject to the clauses above, any notice by the Bank (including but not limited to reminders or demand for payments of amount due and owing to the Bank (if any) may be given by facsimile, e-mail or other forms of instantaneous communication (including short messaging systems (sms) to your last known contact number or e-mail address in the Bank's record. The Customer shall reply to such notices with a response within the same format and the Bank shall not be responsible for any

embarrassment, losses or damages whatsoever arising from the disclosure of such notice to third parties.

- 30.6 The Customer may contact the following for assistance and redress:
- a) If the Customer is a vulnerable consumer, or has difficulties in making payments, the Customer should contact the Bank earliest possible to discuss payment alternatives. The Customer may contact the Bank at AmBank Islamic Berhad, Collection Liaison Office, Level 7, Tower 2, Wisma AmFirst, Jalan Stadium, SS7/15, 47301, Petaling Jaya, Selangor, Tel: 03-2054 6688, Fax: 03-7452 1888.
 - b) The Customer may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counseling, financial education and debt restructuring for individuals. The Customer may contact AKPK at Level 5 & 6, Menara Aras Raya (Formerly known as Menara Bumiputera Commerce), Jalan Raja Laut, 50350 Kuala Lumpur, Tel No: 03-2616 7766, E-mail: www.akpk.org.my
 - c) If the Customer wish to complain on the products or services provided by the Bank, the Customer may contact the Bank at AmBank Islamic Berhad Contact Center – One Stop Resolution, Level 18, Menara AmBank No. 8, Jalan Yap Kwan Seng 50450 Kuala Lumpur, Tel No: 03 – 2178 8888, E-mail: customercare@ambankgroup.com
 - d) If the Customer's query or complaint is not satisfactorily resolved by the Bank, The Customer may contact Bank Negara Malaysia LINK or TELELINK at 4th Floor, Podium Bangunan AICB, No. 10, Jalan Dato' Onn, 50480 Kuala Lumpur, Tel No: 1-300-88-5465, Fax No: 03-2174 1515, Website: bnm.gov.my/BNMLINK

31. LIABILITY

- 31.1 The Bank will be compensated by the Customer for any claims, loss, damage, costs and expenses incurred by the Bank as a result of any Takaful/Insurance remittance.
- 31.2 The Bank can refuse to accept the application of Facility and the Bank shall not be made liable for any loss resulted from the refusal save and except for where such actions, claims, losses, damages and expenses were directly, attributable to the Bank's gross negligence, wilful default or fraud.
- 31.3 The Customer agrees that each of the Customer's obligations to pay under any of the terms and conditions, herein or where appropriate any security documents, constitutes separate and independent obligations, shall give rise to separate and independent causes of action, shall apply irrespective of any waiver or indulgence granted by the Bank in respect of any other obligation, shall remain in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of some other obligation and may be relied upon and enforced by the Bank independently of or simultaneously with or without having to commence any other action under such obligations or under any of the security documents or having first exhausted any remedy or having first set off, sold or disposed of any asset or ASB units, property or undertaking which may be provided as security to the Bank from time to time.

32. INDEMNITY

- 32.1 Upon reasonable notice from the Bank, the Customer agrees to indemnify the Bank against any liability, damages, losses, costs or expenses which the Bank may sustain or incur as a consequence of or incidental to this Facility (including legal expenses on a solicitor-client basis and on a full indemnity basis), save and except where it is due to gross negligence, fraud or willful misconduct by the Bank or its agents.

33. FORCE MAJEURE

- 33.1 The Bank is not required to undertake its obligations if it is prohibited to do so as a direct or indirect result of any natural disasters, riots, public unrests, terrorist acts, labor strikes, lock out, fires, floods, accidents, machine failures or computer/computer system or anything out of the reasonable control of the Bank.

34. ANTI-MONEY LAUNDERING, ANTI-TERRORISM FINANCING AND PROCEEDS OF UNLAWFUL ACTIVITIES ACT 2001 ("AMLATFA") AND THE STRATEGIC TRADE ACT 2010 ("STA")

34.1 The Customer represents and warrants that:

- (a) unless and until the Customer notifies the Bank to the contrary in writing:
 - (i) the Customer is the principal debtor in relation to the Facility;
 - (ii) no person other than the Customer has or will have any interest in the Facility; and
 - (iii) all monies which will be paid to the Bank, all collaterals and/or guarantees in favor of the Bank to secure the Facility (if any) shall come from a lawful source of activity and not unlawful activities, as defined under the AMLATFA or in contravention of the STA.
- (b) on notification that the Customer is an intermediary for other persons:
 - (i) the Bank may require, and the Customer agrees and undertakes to provide verification of the identity of the beneficiary and such other information as the Bank may require, including but not limited to certified true copies of any authorization to act or documents that may be required for the purposes of verifying the information provided by the Customer, of which the copies may thereafter be retained by the Bank;
 - (ii) the Customer further declares and certifies that the necessary "know-your-customer" checks have been conducted including but not limited to the identity, existence, address and nature of the business of the beneficiary, and it is confirmed by the Customer that the monies, funds or collateral are from a lawful source of activity and not unlawful activity under the AMLATFA or in contravention of the STA; and
 - (iii) it is further hereby clearly agreed and understood that the provision of details of the Customer's beneficiary shall not make the Customer's beneficiary a client of the Bank and the Bank shall be entitled to hold the Customer as the principal debtor.

34.2 In addition to Clause 31A.1 (a) and (b) hereof, the Customer hereby agrees and undertakes irrevocably and unconditionally that:

- (i) the Customer shall disclose and furnish to the Bank any information required or deemed necessary and to the satisfaction of the Bank in a timely manner within the period specified by the Bank, whether or not for purposes of complying with laws, rules, regulations, directives and guidelines of BNM and/or given, made or established by the Bank;
- (ii) pending receipt of information by the Bank from the Customer and until received and verified thereof to the satisfaction of the Bank and/or the relevant authorities, the Bank shall neither be obliged to proceed with any transactions or disbursements nor accept any monies, funds or collateral ("Assets"). In relation to Assets already in the possession of the Bank, the Bank shall be entitled (and authorised) to retain the Assets for the time being; any Assets requested to be returned to the Customer or any other party shall be returned to the Customer or any other party after the Bank receives satisfactory clearance from the relevant authorities;
- (iii) the Customer will not use the Facility for money laundering or violate any laws relating to money laundering under the AMLATFA or in contravention of the STA; and
- (iv) in no event shall the Bank or companies within the AmBank Group be liable for any direct, indirect, consequential or any losses whatsoever or howsoever arising or by reason of the Bank's exercise of its duties under the laws for the time being in force, in particular but not limited to its statutory duties under the AMLATFA or STA.

34.3 In the event the payment of the outstanding Bank's Selling Price by the Customer is at any time or from time to time after the release and discharge of the Customer's obligations in this Agreement by the Bank, found to be from an unlawful source of activity or instrumentalities of an offence as defined under the AMLATFA or in contravention of the STA, the Customer agrees and acknowledges that:-

- (i) the release and the discharge of the Customer's obligations under this Agreement shall be automatically deemed to be invalid from the date it is established that the source of payment of the outstanding Bank's Selling Price falls within the ambit of the AMLATFA or in contravention of the STA and the Customer shall continue to be liable to the Bank under the terms of this Agreement notwithstanding any document issued and/or executed by the Bank to release and discharge the Customer; and
- (ii) the Customer shall indemnify the Bank for any losses, damages, costs, fees and charges incurred by the Bank as a result of contravention by the Customer of the provisions of the AMLATFA and/or the STA.

35. LAW

35.1 This General Terms and Conditions shall be subject to and interpreted according to the laws of Malaysia and the parties hereby agree to be subjected to the jurisdiction of the Court of Malaysia or other Courts as determined by the Bank.

36. SUCCESSORSHIP

36.1 This General Terms and Conditions shall be binding upon the successors, representatives and replacement (if required) of the parties herein.

37. PRIVACY

37.1 The Customer is reminded to read and understand the Privacy Notice of AmBank Islamic and AmBank Group (as found in www.ambankgroup.com) and clauses here before agreeing to be bound by them, related to the processing of his personal information. For avoidance of doubt, the Customer agrees that the Privacy Notice is considered merged by referring to the Application Form and its General Terms and Conditions.

37.2 If the Customer gives personal and/or financial information of a third party, including information related to their family and dependents (for individual Customer) for the purpose of opening or undertaking a Facility with AmBank Islamic or otherwise subscribing to products and services of AmBank Islamic, the Customer hereby:

- a) confirms that he has been authorized or otherwise entitled to give information to AmBank Islamic and for use of AmBank Islamic in accordance with the Application Form and its General Terms and Conditions and to give information regarding products, services and offers (including products, services and offers from AmBankGroup) which the Customer and AmBank Group believe may be important and beneficial to them;
- b) agrees to ensure that the third party's personal and financial information are correct;
- c) agrees to update in writing if there is any changes to the personal and financial information; and
- d) agrees to AmBank Islamic's right to terminate the Facility if the permission is withdrawn by any of the third parties.

37.3 Whenever the Customer instructs AmBank Islamic to undertake any type of cross-border transactions (including making or accepting payment), details of the cross-border transaction (including information related to anyone involved in the transaction) may be disclosed or sent overseas, where it can be accessed (whether directly or indirectly) by overseas agent(s) of AmBank Islamic, foreign administrative officers and/or foreign authorities in their authorized legal capacities granted by the laws of their country (for example, crime prevention). In instructing and authorizing the Bank or its agent(s) to enter into this cross-border transaction(s) on behalf of the Customer, the Customer hereby agrees that the disclosure as abovementioned is made by the Customer and other parties involved in the said cross-border transaction.

37.4 Additionally, but always subject to any laws, (including rules, guidelines and/or obligations) applicable for AmBank Islamic (whether in or out of Malaysia), the Customer agrees any other company in AmBank Group and any of their strategic business partner(s) may contact the Customer regarding any product, service and/or offer, in which AmBank Islamic and AmBank Group believe may be important and beneficial to the Customer.

- 37.5 AmBank Islamic and AmBank Group may communicate with the Customer using various channels, including telephone, email, electronic/mobile message, facsimiles or post, to the contact information provided by the Customer.
- 37.6 The Customer may inform AmBank Islamic at any time should the Customer opt to not to receive any form of communication in relation to the marketing of AmBank Islamic, AmBank Group and/or their strategic business partner(s), by contacting Customer Service Officer of AmBank Islamic via these various means:
- Customer Service
Telephone: (603) 2178 8888
E-mail: customercare@ambankgroup.com
Address: Level 18, Menara AmBank, No. 8, Jalan Yap Kwan Seng 50450 Kuala Lumpur
- 37.7 The latest written instruction from the Customer is applicable. The Customer agrees that some of the communications such as statements on the Facility to the Customer and the AmBank Group website may contain general information regarding other products and services of AmBank Islamic and AmBank Group which cannot be removed without affecting delivery/operation part of the Facility and/or without any additional cost to the Customer.
- 37.8 AmBank Islamic may use a credit reporting agency to assist in its decision-making processes, such as when AmBank Islamic is required to:
- a) check the details of the Facility application, financing and financing-related or other Facility given to the Customer;
 - b) manage and check the Facility; and/or
 - c) recover debt from the Customer
- 37.9 The Customer will be linked with the credit reporting agency to other name used or may have been used by the Customer, and any applicants either jointly or separately. AmBank Islamic may also share information of any successful applicants and how the Customer manages the Facility with the relevant credit reporting agency.
- 37.10 Notwithstanding that the Customer has given the information to AmBank Islamic, the Customer has the option to withdraw a prior given permission. In that situation, AmBank Islamic is entitled to refuse or stop the granting of any Facility linked to the information.
- 37.11 This section is without prejudice to Clause 13 of the Application Form and its General Terms and Conditions related to Disclosure.
- 38. OTHER CONDITIONS**
- 38.1 The use of this Facility is subjected to this General Terms and Conditions. When applying for this Facility, the Customer is fully responsible to read thoroughly and understand this General Terms and Conditions.
- 38.2 The Customer is reminded not to rely on anything advised, represented or promised by employees or the Bank's representative that is not stated clearly in this General Terms and Conditions.
- 38.3 The Bank can use any rights, powers and/or remedies available, whether stated herein or given to the Bank by law. All rights and powers of the Bank under the laws and equities can be used even if the rights and powers overlapped with rights and powers given under this General Terms and Conditions. If the Bank does not take any actions when it has the rights to, it SHALL NOT mean that the Bank:
- a) agreed to the Customer's breaches; or
 - b) forfeited its rights; or
 - c) is prohibited from taking any actions afterward.
- 38.4 In addition to and without prejudice to any other remedy, right or security which the Bank may have, the Bank shall, so long as the Facility shall remain in effect or any money remain to be payable by the Customer, have a general lien on all of the Customer's securities and other assets which are now or which may from time to time hereafter be deposited with or in or come into the possession, custody or control of or held in the name or to the order or for the account of the Bank or the nominee of the Bank whether for any specific purposes or generally.
- 38.5 Where the Bank has clearly waived the Customer's breach, it will not affect any enforcement of the Bank's rights, powers and remedies for any other breaches committed by the Customer, whether it happens before or after the waiver.
- 38.6 If any money payable under the Facility is required to be recovered from the Customer, the Bank reserves the right to outsource the debt collection to any external agency which the Bank chooses at its sole discretion by giving the Customer at least 7 calendar days' notice and the Customer shall be liable for debt collection fees, valuation fees, other professional fees and all other charges and costs incurred relating to such recovery and its enforcement.
- 38.7 Save and except where such assignment and/or transfer is to the detriment of the Customer, the Bank shall be entitled at any time to transfer, sell or assign all or any part of its rights, title, interest, benefits and obligations under the Application Form, this General Terms and Conditions, and any other security or documents in support of the Facility to any other party with prior notice of twenty-one (21) days to the Customer. The Customer shall not transfer or assign any of the Customer's rights, benefits and obligations under the Application Form, this General Terms and Conditions and any other security of the Facility without prior written consent of the Bank. Any purported assignment without such consent shall be null and void.
- 38.8 The Bank has the right under limited circumstances where it is reasonably expedient and necessary (including but not limited to, for the purposes of compliance of any legislation or regulatory guidelines applicable to the Facility, or where there is manifest error which is not directly or indirectly caused by the Bank, the Bank is entitled to amend the Clauses under the Agreement from time to time by giving twenty-one (21) calendar days prior written notice to the Customer to add, change, sever, modify, replace or amend all or any parts of this General Terms and Conditions or replacing the Facility in total or in part with other scheme whether similar or not, or withdraw the facility entirely. If the Customer is not agreeable to the amended terms and conditions, the Customer shall notify the Bank in writing of the same within twenty-one (21) calendar days from the date of notice by the Bank and redeem the Facility by paying the Facility Amount and all sums due to the Bank in full. In the event the Customer continues to maintain the Facility, twenty-one (21) calendar days after the notice of any amendment to the terms and conditions of this General Terms and Conditions by the Bank, the Customer shall be deemed to have accepted the amendments to the terms and conditions of this General Terms and Conditions.
- 38.9 The Customer is required and reminded to visit the website ambankgroup.com to obtain the latest General Terms and Conditions.
- 38.10 The Customer is hereby reminded to read and understand the terms and conditions in this General Terms and Conditions before signing it. The Customer is also advised to seek, obtain and rely on its own independent legal advice.