

## ANNEXURE 1A

## GENERAL TERMS AND CONDITIONS

**1. CEILING PROFIT RATE**

The Ceiling Profit Rate is: 10.25% p.a. or 9% p.a. (Applicable to Commodity Murabahah BNM commitment home financing product only).

**2. AVAILABILITY OF FUNDS / REVIEW**

The availability of the Facility is subject to availability of funds of the Bank and the Bank's discretion to review the Facility at any time. The Bank may terminate or withdraw the Facility (with prior written notice to you) at any time, regardless whether you have breached any of the terms and conditions contained in this Letter of Offer or in any other documents in relation to the Facility.

**3. DISBURSEMENT**

- (a) The Facility is available for disbursement on completion of the financing processes and fulfilment of the conditions precedent. The disbursement of the Facility will be made in accordance with the terms of the Facility.
- (b) If you fail to comply with any of the terms and conditions stipulated in this Letter of Offer, the conditions precedent and the Shariah principles, you cannot utilise the Facility and the Bank may cancel the Facility (with prior written notice to you). You must reimburse and/or indemnify the Bank for all costs and expenses incurred by the Bank in connection with the approval and/or grant of the Facility to you.

**4. IRREVOCABLE RIGHT TO DEBIT ACCOUNT**

You must maintain a deposit account with the Bank and execute a standing instruction that irrevocably and unconditionally authorise the Bank to deduct your account for the following:

- (a) monthly payments due and payable for the Facility.
- (b) all other expenses, duties, fees and other sums due and payable arising from the Facility including all Takaful contributions, assessment rates, maintenance costs and services charges on the financing arrangement including service tax and/or any applicable taxes imposed from time to time, and except for the annual or other periodic inspection and/or valuation of the Property conducted by the Bank.

**5. EVENTS OF DEFAULT**

All monies outstanding under the Facility together with all other monies payable under the Facility must be paid by you on demand being made by the Bank or on the occurrence of following events:

- (a) You default in the payment of any monies payable to the Bank after such monies become due to the Bank (whether formally demanded or not); or
- (b) You fail to observe or perform any of the provisions of this Letter of Offer;
- (c) Any of your indebtedness or the indebtedness of any of your guarantor(s) (if any) 1) becomes payable or due prematurely, or becomes capable of being declared payable or due prematurely, due to your default or your guarantor(s) (if any) in its obligations with respect to that indebtedness; 2) you or your guarantor(s) (if any) fails to make payment in respect of that indebtedness on the due date for such payment, or if due on demand when demanded and 3) the security for any such indebtedness becomes enforceable; or
- (d) A distress or any form of execution is levied upon or issued against your property or assets and such action is not satisfied by you within seven (7) days from the date of such levy or issuance; or
- (e) If legal proceedings, suits or actions of any kind (civil or criminal) is instituted against you and your guarantor(s) (if any) which in the Bank's opinion would materially and adversely affect your ability or the guarantor's ability to perform and observe you/his/her obligations under the Facility;
- (f) You and any of your guarantor(s) (if any) commit any act of bankruptcy or become bankrupt or enter into any composition or arrangement for the benefit of the creditors and such step, action or petition remain unsatisfied for a period of fourteen (14) days; or
- (g) You or any of your guarantor(s) (if any) becomes insane or dies; or
- (h) Any of the Security Documents becomes invalid or unenforceable; or
- (i) If the Bank consider that the Facility or any of its security or its security position is in jeopardy; or
- (j) If in the Bank's opinion, there is any change or possible changes in circumstances which would materially and adversely affect your financial condition or your ability to perform your obligations under the Facility; or
- (k) If in the opinion of the Bank your account(s) with the Bank has/have been unsatisfactorily conducted; or
- (l) Any other events of default as specified in the Facility Agreement.

**6. ILLEGALITY**

If any law, regulation or official directive, or any change in the interpretation or application of such law, regulation or official directive, makes it unlawful for the Bank to carry out its obligations under this Letter of Offer, the Bank will immediately notify you that the Facility is terminated, and on such notice the Facility will be cancelled and you must immediately pay all monies outstanding and payable under the Facility and this Letter of Offer.

**7. SOLICITOR/LEGAL AND INCIDENTAL EXPENSES**

You must pay all legal fees and incidental expenses and also all professional fees, taxes (including service tax), out-of-pocket expenses incurred, and any other fees and expenses in respect of the Facility, except for the annual or other periodic inspection and/or valuation of the property post disbursement conducted by the Bank in connection with the preparation, stamping and registration of any Security Documents required by the Bank, even though such documents are not executed by you for any reason. You must also pay the Bank's solicitors' fees (on a solicitor and client basis) and any other fees and expenses incurred in respect of any recovery or any collection of any money payable under the Facility by the Bank's solicitors. For the avoidance of doubt, the professional fees in this clause includes pre-disbursement initial valuation fees of the Property.

**8. WAIVER AND INDULGENCE**

The terms and conditions in this Letter of Offer may be fully or partly waived by the Bank with or without conditions, without affecting the Bank's rights under this Letter of Offer. Any failure by the Bank to enforce any of the provisions of this Letter of Offer, or any forbearance, delay or indulgence granted by the Bank to you, must not be construed as a waiver of the Bank's rights.

**9. CREDIT FACILITIES TO CONNECTED PARTIES**

The approval of the Facility is subject to the Bank's full compliance with any applicable law including the provisions of Section 57 of Islamic Financial Services Act 2013 (IFSA) (relating to power of BNM to specify standards on prudential matters) read together with BNM's Guidelines on Credit Transactions and Exposures with Connected Parties for Islamic Bank and/or other prevailing requirement issued by BNM. You declare that you are not related to/a guarantor to/in control of/controlled by a connected party. No connected party is a director, partner, executive officer, agent or guarantor in your firm/partnership/company/legal entity and/or subsidiaries/entities controlled by you. You must declare to the RHB Banking Group if any connected party relationship arises during the Facility tenure. If the Bank discovers any undisclosed connected party relationship, the Bank may (with written notice to you) terminate and recall the Facility immediately.

In this Clause 9, "connected party" means any of the directors, controlling shareholders, officers of the RHB Banking Group, member of the Shariah Committee of the Bank and their respective close relatives (spouse and dependents of the spouse, child (including step/adopted child) and spouse of the child, parent and brother or sister and their spouses.

**10. INFORMATION DISCLOSURE**

You consent to, and authorizes RHB Banking Group (which shall include its holding company, its subsidiaries and associated companies), its respective directors, officers, employees and agents, to process, disclose, retain, share and/or verify information or documents pertaining to your affairs, account(s), facility(ies), its partners (if applicable) to and/or with the following parties:

- (a) any companies within RHB Banking Group, whether within or outside Malaysia for any purpose including, to cross-selling, marketing and promotions of products and/or services of the RHB Banking Group, (except if you have chosen not to allow the Bank to make any disclosure under this sub-clause (a));
- (b) any authorities/regulators/parties as may be authorised by law or regulations to obtain such information or by court of law;
- (c) any party(ies) providing security for purposes of facility(ies) granted to you;
- (d) agents of the RHB Banking Group including vendors, merchants and/or third party service providers in connection with any products and/or services being provided by the RHB Banking Group wherever applicable;
- (e) auditors, legal counsels and/or other professional advisers in relation to the provision of services by the RHB Banking Group pursuant to this engagement, or in connection with the preparation of any facility or security documents, if applicable, or any action or proceeding for the recovery of monies due and payable by you, wherever applicable;
- (f) credit bureaus and/or credit reporting agencies, fraud prevention agencies, debt collection agencies and industry/financial related associations; and
- (g) any potential assignee or other person proposing to enter into any contractual arrangement which requires the disclosure of such information.

**11. PAYMENT OF QUIT RENT AND ASSESSMENTS**

You must promptly pay or ensure the prompt payment of all quit rent, assessment and other obligatory payments in respect of the property charged/assigned. In this regard, you must submit to the Bank a copy of your quit rent and assessment duly paid and a copy of other relevant receipts for the Bank's records.

**12. TAKAFUL**

- (a) Takaful against loss or damage through fire, earthquake, natural perils and such other risks as the Bank may require to be taken from takaful operator.
- (b) All policies will be obtained at your own cost and expenses. You must reimburse the Bank (on written demand to you) for any advances of such costs and expenses paid by the Bank on your behalf.
- (c) The property to be charged/assigned to the Bank is to be covered with Syarikat Takaful Malaysia Am Berhad (STMAB), or any other takaful operator nominated by the Bank, in the name of the owner as chargor/assignor and the Bank as chargee/assignee, against such risks and for such sums as the Bank may require. The Bank may with written notice to you, deduct the Facility/current or saving account for payment of the takaful contribution and the yearly renewal contribution to STMAB.
- (d) You may, however, nominate any takaful operator of your choice for the above coverage. In such event, you must give the House-owner Policy / Fire Policy ("Policy") to the Bank before disbursement of the Facility, and the subsequent yearly renewal of such Policy to the Bank fourteen (14) days before the expiry of such Policy.
- (e) If such Policy from other takaful operator other than STMAB or Bank nominated takaful operator is not available at the time of disbursement of the Facility, the Bank has the absolute discretion, with written notice to you, to obtain the coverage under STMAB or Bank nominated takaful operator as per Clause 12(d) above. On expiry of this STMAB or Bank nominated takaful operator Policy, or on renewal date, you may then nominate any other takaful operator of your choice subject to Clause 12(d) above on yearly renewal condition.
- (f) If the yearly renewal of the non STMAB Policy is not received by the Bank fourteen (14) days before the expiry of the Policy, the Bank may at its absolute discretion, with written notice to you, obtain coverage for the property under STMAB or Bank nominated Takaful operator as stated in Clauses 12(c) and 12(d) above.

**13. VALUATION**

The Bank may at any time, if it deems fit, require the revaluation of the security pledged, and any cost incurred from the revaluation (i) if it is the initial valuation, at your cost and expense and (ii) if it is any other valuation done after the initial valuation, at the Bank's cost and expense.

**14. DUTY TO VERIFY STATEMENTS OF ACCOUNTS/CERTIFICATE OF BANK**

- (a) You must verify all statements of accounts sent to you by the Bank (signed by any of its officers as to what at any time is the amount outstanding), and within reasonable time inform the Bank if there is any discrepancy in such statements of accounts. If you fail to inform the Bank accordingly, then such statement of accounts will (except for manifest errors) be deemed to be conclusive and binding against you.
- (b) If you have selected for e-Statement in the Statement Type, you acknowledged that you have read, agreed to and understand the contents of the Electronic Statement User Agreement - Terms & Conditions ("e-Statement T&C") and you agreed that you are bound by such e-Statement T&C. You may view the e-Statement T&C by visiting [www.rhbgroup.com](http://www.rhbgroup.com).

**15. SUSPENSE ACCOUNT**

Any monies received by the Bank in respect of the Facility may be placed temporarily in a (non-income bearing) general of the Bank for so long as the Bank thinks fit, without the Bank being required to use such monies to pay any of your liabilities to the Bank.

**16. REPRESENTATIONS AND WARRANTIES**

You hereby represent and warrant to the Bank that:

- (a) You have full legal right, authority, power and capacity to accept the Facility and to perform his/her obligations in accordance with the terms in this Letter of Offer;
- (b) this Letter of Offer constitutes the legal, valid and binding obligations enforceable against you, in accordance with its respective terms;
- (c) all consents, authorisations and approvals, which are required or advisable to be obtained in connection with the acceptance, delivery, legality or enforceability of this Letter of Offer and the use of the Facility, have been obtained and are in full force and effect;
- (d) neither your acceptance and delivery of this Letter of Offer nor the performance of the terms of this Letter of Offer will violate any law, regulation, order or decree of any government authority, agency or court;
- (e) you are not in default under any agreement to which you are a party to, or by which you may be bound, and there is no ongoing or pending litigation, arbitration or administrative proceedings against you;
- (f) all information given by you to the Bank in connection with the Facility are true and correct, and there has been no omission which would render the information inaccurate or misleading;
- (g) there are no bankruptcy proceedings currently pending or threatened against you; and
- (h) you will not utilise the Facility for any non-halal goods or services.

**17. AFFIRMATIVE COVENANTS**

During the tenure of the Facility, you will:

- (a) punctually pay, discharge or satisfy, at or before maturity or before they become delinquent, as the case may be,

- the instalment payment of the Sale Price and all of his/her indebtedness and other obligations;
- (b) simultaneously perform and carry out any and all of his/her obligations under the Facility;
- (c) give the Bank all information reasonably required by the Bank in relation to you; and
- (d) notify the Bank of the occurrence of an Event of Default, or any event of default in relation to any of your other indebtedness.

**18. BANKRUPTCY / WINDING UP SEARCH**

The Bank will conduct bankruptcy searches on you/ your guarantor(s) (if any) before the disbursement of the Facility and at any time after the disbursement. All charges incurred with regard to the bankruptcy/winding up searches must be paid by you. If any of the searches confirm that you/your guarantor(s) are an adjudged bankrupt/wound up or if there are any legal proceedings, suits or actions instituted against you and your guarantor, the Bank may (with prior written notice to you) withdraw/cancel/terminate the Facility granted to you.

**19. SET OFF/COMBINATION OR CONSOLIDATION OF ACCOUNTS**

The Bank may, by giving seven (7) days prior written notice to you, deduct any money in any of your accounts with the Bank and the RHB Banking Group (up to the principal portion only for non-islamic account(s)) to pay any amount due and payable by you to the Bank. The Bank may at its sole discretion do anything to cause such deduction to be made under this Clause 19 (including making currency exchanges).

**20. DISHONoured CHEQUE**

The Bank may close your current account with the Bank (with written notice to you) once your account has been blacklisted by the Bank's dishonoured cheque tracking system. The Bank may at its absolute discretion (with prior written notice to you) terminate the Facility once an account is blacklisted.

**21. NON-CONTRAVENTION OF SHARIAH PRINCIPLES**

You agree that the utilization of the Facility is to acquire the Musyarakah Asset, and that the Facility granted is in conformity with the Shariah principles of Diminishing Partnership (Musyarakah Mutanaqisah). You further confirm that you do not have, and will not raise, any objection as to matters of Shariah compliance in respect of the Facility.

**22. ANTI-MONEY LAUNDERING, ANTI-TERRORISM FINANCING AND PROCEEDS OF UNLAWFUL ACTIVITIES ACT 2001 (ACT 613) ("AMLA")**

22.1 During the tenure of the Facility, You and/or Security Party hereby represent and warrant to the Bank that:

- (a) You and/or Security Party have not engaged, and shall not at any time engage, directly or indirectly, in a transaction that involves proceeds of an unlawful activity or instrumentalities of an offence;
- (b) You and/or Security Party have not acquired, received, possessed, disguised, transferred, converted, exchanged, carried, disposed of or used, and shall not at any time acquire, receive, possess, disguise, transfer, convert, exchange, carry, dispose of or use, proceeds of an unlawful activity or instrumentalities of an offence;
- (c) You and/or Security Party have not removed from or brought into Malaysia, and shall not at any time remove from or bring into Malaysia, proceeds of an unlawful activity or instrumentalities of an offence; and
- (d) You and/or Security Party have not concealed, disguised or impeded, and shall not at any time conceal, disguise or impede, the establishment of the true nature, origin, location, movement, disposition, title of, rights with respect to, or ownership of, proceeds of an unlawful activity or instrumentalities of an offence;

In this respect: -

**"instrumentalities of an offence"** means:

- (a) any thing which is used in, or in connection with, the commission of any unlawful activity; or
- (b) any property which is wholly or partly used in, or in connection with, the commission of any unlawful activity, whether the thing or property is situated within or outside Malaysia.

**"proceeds of an unlawful activity"** means any property, or any economic advantage or economic gain from such property, within or outside Malaysia:

- (a) which is wholly or partly: -
  - (i) derived or obtained, directly or indirectly, by any person from any unlawful activity;
  - (ii) derived or obtained from a disposal or other dealings with the property referred to in subparagraph (i); or
  - (iii) acquired using the property derived or obtained by any person through any disposal or other dealings referred to in subparagraph (i) or (ii); or
- (b) which, wholly or partly, due to any circumstances such as its nature, value, location or place of discovery, or to the time, manner or place of its acquisition, or the person from whom it was acquired, or its proximity to other property referred to in subparagraph (a)(i), (ii) or (iii), can be reasonably believed to be property falling within the scope of subparagraph (a) (i), (ii) or (iii);

**"property"** means:

- (a) assets of every kind, whether corporeal or incorporeal, moveable or immovable, tangible or intangible, however acquired; or



- (b) legal documents or instruments in any form, including electronic or digital, evidencing title to, or interest in, such assets, including currency, bank credits, deposits and other financial resources, traveller's cheques, bank cheques, money orders, capital market products, drafts and letters of credit, whether situated within or outside Malaysia, and includes a legal or equitable interest, whether full or partial, in any such property;

**"unlawful activity"** means: -

- (a) any activity which constitutes any serious offence or any foreign serious offence; or
- (b) any activity which is of such a nature, or occurs in such circumstances, that it results in or leads to the commission of any serious offence or any foreign serious offence,

regardless whether such activity, wholly or partly, takes place within or outside Malaysia;

**"serious offence"** means: -

- (a) any of the offences specified in the Second Schedule to the AMLA;
- (b) an attempt to commit any of those offences; or
- (c) the abetment of any of those offences;

**"transaction"** includes an arrangement to open an account involving two (2) or more persons and any related transaction between any of the persons concerned and another;

22.2 You and/or Security Party acknowledge and agree with the Bank that:-

- (a) the Bank is obliged to comply with all applicable laws, regulations, directives, policy documents, guidelines, practices, directions, sanctions, industry standards and practices and other requirements, including the AMLA, the Strategic Trade Act 2010, the Financial Services Act 2013 and the Islamic Financial Services Act 2013, to which the Bank as a licensed financial institution may from time to time be subject to (collectively, **"Regulatory Requirements"**);
- (b) the Bank shall be entitled to do or refrain from doing any act or thing, for compliance with the Regulatory Requirements;
- (c) if the Bank is of the opinion that any event or circumstance (whether related or not), which would make it unlawful or illegal for the Bank to approve the application for the banking facilities or to grant or make available of, or to disburse any funds under, the banking facilities, has occurred or arisen, or the approval of the application for the banking facilities or the granting or making available of, or the disbursement of any funds under, the banking facilities would contravene any of the Regulatory Requirements (in whole or in part), including the Bank's receipt of any alert or positive name match from the relevant checks conducted on the Customer, any related third party involved in the underlying transaction(s) (including the vendor/ developer/ promoter/ agent/ trustee/ supplier to whom any funds under the banking facilities are to be disbursed) by the Bank pursuant to the Regulatory Requirements, then, despite anything to the contrary contained in this document, the Bank shall, at any time with prior written notice, be entitled to:-
  - (i) reject your application and do all such acts and things as may be necessary to comply with the Regulatory Requirements; and/or
  - (ii) with prior written notice to me/us, suspend the banking facilities, or cancel the banking facilities and terminate its relationship with me/us, and do all such acts and things as may be necessary to comply with the Regulatory Requirements. If the banking facilities are cancelled and/or terminated by the Bank pursuant to the Bank's compliance to the Regulatory Requirements:
    - (aa) the indebtedness shall immediately become due and payable;
    - (bb) the securities under this document shall immediately become enforceable;
    - (cc) no utilisation or further utilisation of the banking facilities shall be allowed by the Customer; and
    - (dd) the Bank shall be entitled to exercise all or any of its rights and remedies available to it under the relevant facilities agreement, the security documents, the applicable laws or otherwise;
- (d) You and/or Security Party shall provide all such documents and information as the Bank may require (at all times during the term of the business relationship) for the purposes of complying with the Regulatory Requirements;
- (e) the Bank shall be entitled to freeze and/or seize the banking facilities under its control or due from any source to it, pursuant to order(s) from enforcement agency(ies) until such further notice (revocation order) is received from the said enforcement agency or the cease of the order (whichever the first); or unless there is a variation order.

22.3 You and/or Security Party undertake and agree with the Bank that:-

- (a) You and/or Security Party will at all times observe with the Bank's steps in undertaking its obligations towards complying with the Regulatory Requirements;
- (b) You and/or Security Party will be fully liable if the Bank has been found to have contravened the Regulatory Requirements due to my/our actions causing legal repercussion to the Bank; and
- (c) You and/or Security Party understand that any breach(es) due to AMLA and sanction requirements are non-negotiable.

## **23. MALAYSIAN ANTI-CORRUPTION COMMISSION ACT 2009 ("MACC ACT")**

- 23.1 You are required to read and understand the anti-corruption policies and procedures of the Bank that are available on the Bank website at [www.rhbgroup.com](http://www.rhbgroup.com). You will be notified by the Bank of any amendments or revisions to the anti-corruption policies and procedures of the Bank, and you are required to read and understand such amendments or revision, which will be made available on the Bank website. If you do not understand the policies, procedures or any related updates, the Customer or Security Party(ies) may contact RHB's Group Integrity & Governance Division.
- 23.2 You represent and warrant to the Bank that it is in compliance with all the relevant laws, regulatory requirements and the anti-corruption policies and procedures of the Bank, including all anti-corruption and anti-bribery laws and regulatory requirements, and will at all times remain in compliance with all such laws, regulatory requirements and the anti-corruption policies and procedures of the Bank. You agree that they will co-operate with the Bank to complete any verification exercises conducted by the Bank in accordance with the anti-corruption policies and procedures of the Bank, including but not limited to providing all documents and/or information required by the Bank.
- 23.3 You further represent and warrant to the Bank that it has not nor is suspected of having given, promised, offered, solicited, accepted, obtained, received, agreed or attempted so to do, and will not at any time give, promise, offer, solicit, accept, obtain, receive, agree or attempt so to do, any forms of gratification, whether directly or indirectly, to or from any person connected or associated to the Banking Facility or the Customer's or the Security Party(ies)'s affairs or business ("Person") in order to:
- improperly influence any act, omission or decision by that Person in respect of any matter or transaction, whether actual or proposed or likely to take place; or
  - improperly induce that Person to use the Person's influence with or on any entity or any other person to affect any act, omission or decision by such entity or other person; or
  - secure any improper advantage.

For purposes of this Letter of Offer, the "gratification" has the meaning set out in Section 3 of the MACC Act. /herein below:

- money, donation, gift, loan/facilities, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other similar advantage;
  - any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;
  - any payment, release, discharge or liquidation of any loan/facilities, obligation or other liability, whether in whole or in part;
  - any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
  - any forbearance to demand any money or money's worth or valuable thing;
  - any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty; and
  - any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f).
- 23.4 You agree that it shall upon the occurrence of any of the above stated events, at the earliest opportunity thereafter, report such events to the Malaysian Anti-Corruption Commission or a police officer, and the confidential reporting channel (Speak Up Corner) of the Bank available on the Bank's corporate website at [www.rhbgroup.com](http://www.rhbgroup.com). Failure to make such report amounts to an offence and on conviction will attract a fine not exceeding Ringgit Malaysia Ten Thousand (RM10,000.00) or imprisonment for a term not exceeding two (2) years or to both.
- 23.5 The occurrence of any of the foregoing activities shall amount to an Event of Default under the Banking Facility and the Bank shall be entitled without further notice to you to exercise forthwith all or any of its rights, powers and remedies under the Banking Facility or by statute or otherwise, and the Bank shall make the necessary disclosures in compliance with the relevant laws and regulatory requirements.

## **24. NOTICES & SERVICE OF LEGAL PROCESS**

### **A. Notices/Communications**

Any notice, demand or other communication between you and the Bank under this Letter of Offer may be given in writing to the other party at the address details as stated in this Letter of Offer or at such other address as the recipient may

have notified to the other party in writing. No change in your address stated in this Letter of Offer is effective or binding on the Bank, unless the Bank has received an actual notice of such change of address.

The notices or other communications may be given or made in any manner as set out in this clause. The notices or other communications are deemed delivered to you (unless there is contrary evidence that such notice/communication was in fact not received):

- (a) in the case of telephone call, when made;
- (b) in the case of a letter, by the fifth (5<sup>th</sup>) day after posted;
- (c) in the case of facsimile, at the time the transmission report is received by the sender, confirming that the addressee has received such facsimile;
- (d) in the case of electronic mail, on the day such electronic mail enters your information system, so long as the Bank has not received a failed or undeliverable message from the host provider on the day of transmission;
- (e) in the case of personal delivery, acknowledgment of receipt by the recipient;
- (f) in the case of short message service (SMS), on the day that such SMS sent to the recipient, so long as the sender has not received delivery error message on the day that the SMS was sent.

Proof of posting or despatch of any notice or communication is deemed to be proof of receipt (unless there is contrary evidence that such notice/communication was in fact not received):-

- (a) in the case of registered post or other fast postal service, that the notice or other document has been duly addressed and posted;
- (b) in the case of personal delivery, acknowledgement of receipt by the recipient; or
- (c) in the case of facsimile transmission or telex or other electronic media was duly transmitted from the despatching terminal as evidenced by a transmission report generated by the despatching terminal.

Despite the above provisions, you agree that the Bank may make a demand for payment, in the form of a computer generated demand or notice which requires no signature or which contains a printed or facsimile signature. Any such demand or notice (except for manifest error), is binding and conclusive on you.

If you send any instruction, notice or communication, or if you execute or perfect any documents by facsimile or electronic mail to the Bank, you must indemnify the Bank against any claim, loss and liability arising from the Bank relying on such instruction, notice, communication, execution or perfection.

To avoid any doubt, you authorise the Bank to rely on and act on any instruction, notice or communication from you made by telephone or facsimile to the Bank. You must indemnify the Bank and must not make the Bank liable for any actions, suits, proceedings, costs, claims, demands, charges, expenses, losses and liabilities (unless due to the Bank's gross negligence or wilful default), due to or related to the Bank having relied on or acted in good faith in accordance with your telephone or facsimile instruction, notice or communication, even if such instruction, notice or communication had been initiated or transmitted in error, fraudulently altered, misunderstood or distorted in the lines of communication or transmission.

#### **B. Service of Legal Process**

- (a) Legal Process may be served by prepaid registered or ordinary post sent to the respective address of the parties, and such Legal Process is deemed to have been duly served after five (5) days from the date it is posted and if delivered by hand, on the day it was delivered; and
- (b) No change in the address for service will be effective or binding on either party, unless that party has given to the other actual notice of the change of address for service, and nothing done in reliance of sub-section (a) above is affected by any later change in the address for service, of which the other party has no actual knowledge of at the time the act or thing was done or carried out.
- (c) "Legal Process" means pleadings, all forms of originating processes, interlocutory applications, affidavits, orders and such other documents which are required to be given to the other party, notices, under the Companies Act 2016, the Insolvency Act 1967 and other Malaysian laws.

#### **25. APPOINTMENT OF COLLECTION AGENT**

The Bank may (with prior written notice to you) appoint an agent of its choice to collect all and any sums due to the Bank from you under this Letter of Offer.

#### **26. CROSS-DEFAULT**

If:

- (a) any of your indebtedness becomes payable; or
- (b) any of your other indebtedness may be declared payable or due prematurely (due to you failing to pay your other indebtedness); or
- (c) you fail to pay your other indebtedness on the due date for such payment (or if due on demand, when demanded) or

(d) the security for your other indebtedness becomes enforceable then this will be considered as an event of default under the Facility, and the Bank may at its absolute discretion exercise any of its rights and remedies under the Facility and/or this Letter of Offer due to such event of default.

## **27. BANK'S RIGHT TO COMMENCE LEGAL PROCEEDING CONCURRENTLY**

If you fail to fulfil any term or condition in this Letter of Offer, the Bank may exercise all or any of the remedies available whether by this Letter of Offer, by statute or under the law. The Bank may exercise such remedies concurrently, including via a civil suit to recover all moneys due and owing to the Bank.

## **28. MISCELLANEOUS**

- (a) The Bank may vary the terms of this Letter of Offer by giving 21 days' prior written notice stating the reasons for such variation (unless specified differently in this Letter of Offer) to you. In any case, such variation must comply with Shariah principles. The variation must also be read and construed as having formed part of this Letter of Offer at the time of execution.
- (b) You must operate your account with the Bank in a satisfactory manner and pay the installments or payments and any monies due in respect of the Facility promptly.
- (c) You must inform the Bank in writing when you obtain financing facility(ies) from any other institutions.
- (d) If any provision of the Letter of Offer or the Annexures (whichever applicable) becomes invalid, illegal or unenforceable in respect of any law, the validity, legality or enforceability of the remaining provisions must not in any way be affected or impaired.
- (e) All terms and conditions in our earlier Letter(s) of Offer and in Security Document(s) will remain in full force and effect, except if varied specifically by this Letter of Offer. The Letter(s) of Offer and Security Document(s) as varied by this Letter of Offer must, from the date of this Letter of Offer be read as a single integrated document incorporating such variation.

## **29. OTHER TERMS AND CONDITIONS**

### **(A) FLEXI REDRAWING (Applicable for Full Flexi products only)**

- i. You may make additional payments exceeding the Monthly Payment Plan at any time without giving notice to the Bank after the Facility has been fully disbursed. Throughout the Musyarakah tenure and subject to the terms and conditions as set out in the Musyarakah Agreement, the Bank may purchase certain numbers of Musyarakah Unit(s) from you ahead of the monthly Musyarakah Unit Purchase Payment ("Exclusive Musyarakah Unit(s)").
- ii. If the Exclusive Musyarakah Unit(s) amount is equivalent to the remaining Musyarakah Unit, and subject to the settlement of all outstanding amounts under the Facility, the Bank will issue a Notice of Fulfillment to you.
- iii. You may sell the Exclusive Musyarakah Unit(s) at any time via the following mechanisms: -
  - (a) execution of the applicable transaction documents provided under the Musyarakah Agreement by you and the Bank;
  - (b) application in the appropriate form being submitted to the Bank's nearest branch office; in which event the application is subject to the Bank's approval;
  - (c) via internet banking; or
  - (d) via ATM.

\*Note: If the Facility is granted pursuant to a joint application, a letter of consent in the form as set out in the Musyarakah Agreement to facilitate and allow for a Redraw via internet banking or ATM must be executed by you. If you fail to execute such letter of consent, the Redraw mechanisms set out in items (iii) (c) and (d) above will not be made available to you.

- iv. At the Bank's sole discretion and with prior written notice to you, the Bank may (throughout the Musyarakah tenure) purchase from you the Exclusive Musyarakah Unit (s) for redrawing purposes, subject to the terms and conditions specified in the Musyarakah Agreement and/or in this Letter of Offer and/or any other terms and conditions as may be determined by the Bank.
- v. You agree that by way of performing all the steps required under (b), (c) and (d) above, you are deemed to have sold the relevant Exclusive Musyarakah Unit(s) to the Bank, and on the Bank crediting your account with the proceeds of such sale of the relevant Exclusive Musyarakah Unit(s), the Bank would be deemed to have purchased such relevant Exclusive Musyarakah Unit(s).
- vi. For redrawing purpose, the Bank will credit all amount redrawn under the Facility into the account as stipulated in item (d) of Acceptance and Consents of this Letter of Offer.

### **(B) TOP UP FACILITY**

You may request for a Top-Up Facility subject to terms and conditions acceptable to the Bank. The Top-Up Facility may be granted by the Bank to you at the Bank's discretion, subject to terms and conditions as set out in a letter of offer to be issued by the Bank, if applicable.

## **30. AGENCY KAUNSELING DAN PENGURUSAN KREDIT (AKPK)**

BNM has established Agensi Kaunseling dan Pengurusan Kredit (AKPK) to provide free services on money management, credit counseling, financial education and debt restructuring for individuals. For enquiry, please call 03-2616 7766.



**31. BANK NEGARA MALAYSIA LINK (BNMLINK) AND OMBUDSMAN FOR FINANCIAL SERVICES (OFS) (formerly known as Financial Mediation Bureau)**

If you are not satisfied with the outcome of the investigation or of the complaint, you may appeal against such outcome by referring such complaint to the Bank Negara Malaysia or Ombudsman for Financial Services (OFS). For enquiry, please call:

BNMLINK or TELELINK: 1-300-88-5465

Ombudsman for Financial Services (OFS): 03-2272 2811

*\*to delete whichever is not applicable*

**ANNEXURE 1B****TERMS AND CONDITIONS RELATING TO EQUITY HOME FINANCING-i FACILITY/EQUITY****PROPERTY FINANCING-i FACILITY****1. MODE OF PAYMENT**

**Monthly payments shall commence as follows: -**

- (a) If the first payment of the financing amount by the Bank to the vendor is made within the last 15 days from the due date, your monthly payments are to commence on or before the 5<sup>th</sup> day of the 3<sup>rd</sup> month from the month of disbursement and on every 5<sup>th</sup> day of each of the following months until full settlement.
- (b) If the first payment of the financing amount by the Bank to the vendor is made within the first 15 days of the billing cycle, your monthly payments are to commence on or before the 5<sup>th</sup> day of the 2<sup>nd</sup> month from the month of disbursement and on every 5<sup>th</sup> day of each of the following months until full settlement.

**2. SECURITY(IES) ARRANGEMENT**

- (a) Facility Agreement refers to the Musyarakah Agreement, Purchase Undertaking, Limited Declaration of Trust, Ijarah Agreement and Letter of Consent (if applicable).
- (b) For the Musyarakah Asset without individual/strata title, you must execute the Deed of Assignment on the Musyarakah Asset pending the issuance of individual/strata title. On issuance of the individual/strata title, a Limited Declaration of Trust and a Legal Charge must be executed to replace the Deed of Assignment.
- (c) For the Musyarakah Asset with individual/strata title, you must execute a Limited Declaration of Trust and a Legal Charge.
- (d) For Facility secured against any of the Bank's term deposit product ("Term Deposit"), you must execute the memorandum of deposit and/or the letter of set-off. The profit earned from the Term Deposit must be pledged back to the Bank by adding to the principal amount as additional security. The Bank will uplift the Term Deposit if the Facility is not paid promptly. The Bank may renew the Term Deposit pledged annually during the Facility tenure.
- (e) The Bank may at any time (with prior written notice to you and by stating reasons in such written notice) request for any other relevant security arrangement as required by the Bank as advised by the solicitor.

**3. ADDITIONAL CONDITIONS PRECEDENT (WHICHEVER IS APPLICABLE)**

- (a) You must execute a Statutory Declaration affirming that the Musyarakah Asset purchased or the building to be erected is for your own occupation.
- (b) The Bank has received confirmation by the Solicitor that the differential sum between the purchase price of the Musyarakah Asset and the Facility has been paid.
- (c) You must ensure that a Letter of Consent (if the titleholder of the Musyarakah Asset is a third party / includes a third party) is executed.
- (d) You must execute, or if the titleholder is a third party/includes a third party, caused to be executed, a Limited Declaration of Trust declaring your registration as titleholder at the Land Office is as a trustee for the Bank and the Musyarakah.
- (e) If the separate document of title in respect to the Musyarakah Asset has not been issued by the appropriate authority, you must deposit with the Bank the original Sale and Purchase Agreement and/or documents pertaining to the Musyarakah Asset evidencing rights and/or ownership in the Musyarakah Asset.
- (f) If the separate document of the title in respect of the Musyarakah Asset has been issued by the appropriate authority, you must give or caused to be given to the Bank the issued document of title.
- (g) You must give the Bank a copy of the quit rent receipt for the current year, due and payable in respect of the Musyarakah Asset.
- (h) You must give or cause to be given to the Bank the valuation report on the Musyarakah Asset by one of the Bank's panel valuers confirming the value of the Musyarakah Asset which must be acceptable to the Bank.
- (i) You must submit an original stamped copy/certified true copy of the Sale & Purchase documents.
- (j) House Owner's Takaful proposal form has been duly completed and submitted to the Bank confirming that you have adequately obtained Takaful coverage (with the Bank's approved panel of Takaful operators or other Takaful operators of your choice) to cover the Musyarakah Asset against fire, lightning, riot and strike, malicious damage, explosion and any other relevant risks, for their full market value or replacement cost whichever is the higher and for the duration of the Facility, with interest vested in the Bank as Chargee.
- (k) Mortgage Level Term Takaful/Mortgage Reducing Term Takaful ("MLTT/MRTT") Policy form has been duly completed and returned to the Bank. If applicable, the Bank may (with written notice to you) obtain and maintain at your cost and expenses the Mortgage Level Term Takaful/ Mortgage Reducing Term Takaful ("MLTT/MRTT") from the Bank's panel of Takaful operators for the Facility, with non-cancellation clause and the Bank's interest as loss payee endorsed in such policy.

- (l) A private caveat/lienholders caveat (if required) have been entered by or on behalf of the Bank in respect of the Musyarakah Asset.
- (m) Security Deposit and/or the Term Deposit has been deposited/opened with the Bank and the memorandum of deposit and/or the letter of set-off has been duly executed, stamped and registered at the relevant registries (if applicable).
- (n) Letter of undertaking from the vendor and/or proprietor, to deliver a valid and registrable Transfer and Title on issuance of such Transfer and Title/not to encumber the master title without the Bank's prior written consent/to obtain the relevant consent to transfer (if applicable) and any other document to make you as transferee of the Musyarakah Asset, have been executed.
- (o) Redemption statement cum letter of undertaking from the chargee bank, to forward the Receipt and Reassignment and/or the Discharge of Charge, the Duplicate Charge, Title and other documents related to the existing charge on the chargee bank receiving the redemption sum, and to refund the redemption sum if the Receipt and Reassignment or the Discharge of Charge, Title and/or the Charge in favour of the Bank cannot be perfected/suspension or abandonment of project/non-issuance of Certificate of Fitness.
- (p) Letter of undertaking from the vendor and/or proprietor have been given to the Bank, to refund all monies release if the Deed of Assignment (By Way of Sale)/Memorandum of Transfer cannot be perfected.
- (q) Letter of disclaimer from chargee bank, to exclude the property from any claims and any foreclosure proceedings, have been obtained (if applicable).
- (r) Confirmation by the solicitor in charge that the Deed of Assignment (By Way of Sale)/Memorandum of Transfer has been submitted for adjudication.

#### **4. LETTER OF UNDERTAKING FROM THE BANK TO THE DEVELOPER**

If applicable, the Bank may at its absolute discretion issue an undertaking to release the Facility progressively to the developer on receiving from the developer the Architect's Certificate of Work Done for the respective stages in accordance with the schedule of payment in the Sale and Purchase Agreement. You agree that you cannot instruct or require the Bank to revoke such undertaking, on the grounds that you have a claim against or a dispute with the developer for monies due and payable by the developer to you, after such undertaking has been issued.

#### **5. VARIATION OF RATE**

- (b) The Bank may at its absolute discretion vary the Bank's BRI and/or the spread above the Bank's BRI in the following manner: -
  - (i) In respect of the Bank's BRI— by displaying at the Bank's premises a general notice in the change in the Bank's BRI addressed to the public generally, and such display is deemed to be an effective notice on you or by any other methods deem fit and proper by the Bank; and
  - (ii) In respect of the change in the spread above the Bank's BRI—by serving a notice in writing to you of at least 21 calendar days before the effective date of such change on the rate(s), and such notice is deemed to have been sufficiently served on you if sent by hand or by ordinary mail to your last known place of residence/ business or to your address as stated in this Letter of Offer.

The Bank may at any time at its sole and absolute discretion (by giving written notice to you) change the fundamental basis of calculation of the prescribed rate (whether it be the BRI or any other basis). In any case, the effective date of the change in the Bank's BRI and/or the spread above the Bank's BRI must be the date specified in the notice or in the display at the Bank's premises.

*\*to delete whichever is not applicable*