



STANDARD TERMS AND CONDITIONS COVERING BANKING FACILITY GRANTED BY RHB BANK BHD ("THE BANK") FORMING PART OF THE BANK'S LETTER OF OFFER

1. CREDIT FACILITY

- (a) The Bank may decide to grant the credit facility by providing an Overdraft facility, in the form and under the conditions fixed by the Letter of Offer, to an account opened in the customer's name. The Letter of Offer specifies the period, amount and the conditions of the credit facility.
- (b) The customer who has been granted a credit facility by the Bank must, at all times, maintain security(ies) value at least corresponding to a certain percentage of the credit amount granted to the customer, and fixed by the Bank in its Letter of Offer (hereinafter referred to as the "equity ratio"). To calculate the equity ratio, the security(ies) taken into account are evaluated at their market value. The customer have a continuing obligation to ensure that the Equity Ratio does not exceed **100%** at all times.

Without prejudice to all the rights and actions of the Bank, the customer must adhere to previously set margin of financing:-

- Corresponding to the Margin of finance or/and risk class assigned by the Bank.
- The value of security(ies) listed in currency other than that of the credit facility will be reduced by 15%.

- (c) If the equity ratio is more than 100%, the account will be suspended and no further drawdown is allowed.
- (d) If the equity ratio is more than 110%, you undertake to pay cash or pledge additional assets to the order of the amount required so that the equity ratio falls below 100% at the Bank's first request within the period specified by the Bank.
- (e) If you were not to uphold the application made by the Bank as referred to in para 1(d) within the period specified:-
- you authorise the Bank and grant it, where required, an irrevocable mandate to proceed with the payments by force sell the security(ies).
 - The Bank may deprive you of the option of buying and selling your investment and this for as long as the equity ratio is more than 100%.

On the date it receives the margin call notification, the Bank will try to contact you by telephone or/and by email to inform you of the shortfall:-

- If you cannot be contacted or if you do not respond, the Bank may sell all or part of your security(ies) without any other prior formal notice to lower down the equity ratio to below 100%.

The Bank may exercise the rights stated above for the entire duration of the Offer.

- (f) The Bank reserves the right to define, in advance, the equity ratio of 125% and above. The Bank will reserve the right to force sell the security(ies) to lower down the equity ratio to below 100%.

2. INTEREST RATE(S)/BANKING CHARGES/OTHER CHARGES

(A) INTEREST

You shall pay interest on all monies due and payable by you and all monies outstanding and owing to the Bank in relation to the Banking Facility and any other charges payable in relation to the Banking Facility at such rate or rates as may be stipulated or prescribed by the Bank at any time and from time to time. Without prejudice to the generality of the foregoing, the interest payable by you for the time being in respect of the Banking Facility is as specified under the column Interest Rate at Page 1 of the Bank's Letter of Offer. Interest at the aforesaid rate shall be payable by you as well after as before any judgment or order of court.

(B) VARIATION OF INTEREST

The Bank shall also be entitled at its discretion at any time and from time to time to vary the Bank's reference rate and/or the Margin of Interest imposed above the Bank's reference rate in the following manner:-

- (a) In respect of the Bank's reference rate by displaying at the premises of the Bank a general notice in the change in the Bank's reference rate addressed to the public generally and such display shall be deemed to be an effective notice on you or by any other modes deemed fit and proper by the Bank; and
- (b) In respect of the change in the Margin of Interest imposed above the Bank's reference rate by serving a notice in writing to you of such change in the rate(s) 21 calendar days in advance and such notice shall be 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 the Bank's Letter of Offer.

The Bank shall be entitled at any time at its discretion by notice to you the fundamental basis of calculation of the prescribed rate (whether it be the reference rate or any other basis by whatsoever name called). Provided always that the effective date of the change in the Bank's reference rate and/or Margin of Interest imposed above the Bank's reference rate shall be the date specified in the notice or in the display at the Bank's premises.

3. COMMITMENT FEE FOR OVERDRAFT FACILITY

The Bank reserves the right to levy a commitment fee as compensation to the Bank at such rate as the Bank may at its



STANDARD TERMS AND CONDITIONS COVERING BANKING FACILITY GRANTED BY RHB BANK BHD ("THE BANK") FORMING PART OF THE BANK'S LETTER OF OFFER

discretion from time to time stipulate on the portion of the Overdraft facility as shall be unutilised by you up to the aggregate approved limit at any time and from time to time commencing from the date when the Overdraft facility is made available to you for utilisation and the Bank shall be entitled to debit the commitment fee into your Overdraft account at the end of the month. For the time being, the Bank imposes a commitment fee of one per centum (1%) per annum on the unutilised portion of the Overdraft facility, the aggregate limit of which exceeds RM250,000-00. The Bank are entitled, from time to time, with a minimum of twenty one (21) calendar days' prior written notice, to levy a commitment fee.

4. INTEREST ON EXCESS AMOUNT/DEFAULT RATE

- (a) In addition and without prejudice to the rights and remedies of the Bank herein, if you shall default in the payment on the due date of any moneys payable in respect of the Overdraft facility, you shall pay to the Bank liquidated damages by way of additional interest at one per cent (1%) per annum on the amount in arrears calculated from the due date until the date of payment of the amount thereof by you.
- (b) The Bank will not permit any excess/temporary overdrawn over and above the limit approved herein. However, in the event that an excess is created in your account due to, for example, interest accumulation or the expiry of the Overdraft facility, the Bank shall have the right to impose at the Bank's discretion additional interest at one per cent (1%) per annum over the Bank's prescribed rate on the amount in excess of the limit until the date of normalisation. Notwithstanding the above, the Bank shall be entitled at its discretion at any time and from time to time to vary the rate(s) of the additional interest.
- (c) Formal notice will be sent to the customer to inform of the excess, if the excess/temporary overdrawn is not regularised within the specified period or you have not responded to the Bank within 62 calendar days, the Bank reserves the right to force sell part or all of your security(ies) to regularise the account.

5. REPAYMENT

- (a) For Overdraft facility, it is subject to periodic review at the Bank's sole discretion.
- (b) For Overdraft facility, interest shall be paid monthly and is calculated on the daily outstanding balance of the Overdraft facility and capitalised at the end of the month subject to a minimum charge of RM5.00 per month. Notwithstanding any provisions herein, you agree to pay and/or repay the Bank all Overdraft facility together with all moneys due thereunder forthwith upon any demand being made by the Bank which demand may be made by the Bank at any time and from time to time irrespective of whether or not an event of default has occurred or is continuing.

6. SECURITY

The Banking Facility shall be made available to you subject to the provision by you of the securities set out in the Letter of Offer.

In addition to the Bank's right as chargee/assignee, the Bank shall have the discretion and liberty at any time or from time to time, and notwithstanding that the period for which the pledged investment or any part thereof has been placed may not have expired, upon giving a prior notice to the Borrower (or any Security Party, wherever applicable) exercise the right to set-off the pledged investment (including any interests/profits accrued) against any of the Borrower's liabilities with the Bank. Pending the Bank effecting the said set-off, the Bank shall have the right to withhold and/or suspend payment of any monies from the pledged investment (including any interests/profits accrued). In the exercise of any of the Bank's discretion and rights, the Bank shall not be liable or responsible for any loss to the Borrower or the Security Party including the loss of interest/profit unless the same is caused directly by the Bank's gross negligence or wilful default. The Bank reserves the right to request for any other relevant security arrangement as required by the Bank from time to time.

7. CONDITIONS PRECEDENT

The Banking Facility will be made available for your utilisation upon the fulfillment of the following conditions precedent:-

- (a) The Bank shall have received your acceptance of the Letter of Offer. In addition, all security documents which are required to be executed must be executed by you or the relevant Security Party within one (1) month of your acceptance of the Letter of Offer or within such extended period of time as the Bank may in its discretion agree upon. Upon failure to do so, the Bank shall be at liberty to cancel the Banking Facility without any reference to you.
- (b) The Bank is satisfied that no event has occurred so as to render the Banking Facility or any part thereof, to become immediately repayable and no event of default stated herein has occurred or is threatened.
- (c) The Bank is satisfied that no extraordinary circumstances, governmental action or other material adverse change or event has occurred which in the opinion of the Bank prejudices your ability and/or the ability of any party providing security for the Banking Facility ("the Security Party") to observe and perform the covenants and obligations on its part to be observed and performed herein or in the security documents.
- (d) All security documents which are required herein and/or such other documents as may be required by the Bank and/or its solicitors shall have been executed by the relevant parties, duly stamped and registered at such registries as the Bank may deem necessary or expedient and the original copy of each of the relevant documents shall have been deposited with the Bank.
- (e) You shall have paid all fees or charges payable or agreed to be paid by you to the Bank for or in connection with the Banking Facility.
- (f) The Banking Facility approved by the Bank's Letter of Offer can be drawdown or utilised on completion of legal documentation and fulfillment of such conditions precedent as the Bank may require and subject to the Bank being

**STANDARD TERMS AND CONDITIONS COVERING BANKING FACILITY GRANTED BY RHB BANK BHD ("THE BANK") FORMING PART OF THE BANK'S LETTER OF OFFER**

satisfied (and in this respect the Bank's decisions shall be final) that there are no material changes affecting your financial conditions.

8. EVENTS OF DEFAULT

All monies outstanding under the Banking Facility together with interest thereon and all other monies relating thereto shall become immediately repayable by you upon demand being made by the Bank or upon the occurrence of any of the following events:-

- (a) You make default in the payment on due date of any money payable hereunder (whether principal, interest or otherwise) whether formally demanded or not;
- (b) You fail to observe or perform any of the agreements, covenants, stipulations, terms and conditions herein;
- (c) Any of your indebtedness or the indebtedness of any of your guarantor(s) (if any) becomes capable, in accordance with the relevant terms thereof, of being declared due prematurely by reason of a default by you or such guarantor(s) in your or his/her obligations in respect of the same or you or any of your guarantor(s) fail to make payment in respect thereof on the due date for such payment or if due on demand when demanded or the security for any such indebtedness becomes enforceable;
- (d) A distress or execution or other process of a court be levied upon or issued against your property and such action is not satisfied by you within seven (7) calendar days from the date thereof;
- (e) You enter into any arrangement or composition with your creditors;
- (f) If legal proceedings, suits or actions of any kind whatsoever (civil or criminal) shall be instituted against you or your guarantor(s) which in the opinion of the Bank would materially and adversely affect your ability or the guarantor's ability to perform and observe your/his/her obligations herein or in the guarantee, as the case may be;
- (g) You or any of your guarantor(s) (if any) commit any act of bankruptcy or become bankrupt or enter into any composition or arrangement with or for the benefit of your or such guarantor(s)' creditors or allow any judgment against you or such guarantor(s) to remain unsatisfied for a period of fourteen (14) calendar days;
- (h) You or any of your guarantor is adjudged a bankrupt;
- (i) You or any of your guarantor(s) (if any) become insane or dies;
- (j) Any of the security documents given to the Bank is or becomes for any reason whatsoever invalid or unenforceable; or
- (k) If the Bank shall in its discretion consider that the Banking Facility or any of its security or its security position to be in jeopardy.

Notice will be issued by the Bank in the event of Overdraft excess. The Borrower is given 62 calendar days to regularise the account. In the event the Borrower fails to make the said payments after the expiry of 62 calendar days, the Bank shall reserve the right to sell pledged collateral(s) without any further reference to the Borrower.

The Bank has the right to liquidate the pledged assets including but not limited to Unit Trusts and Retail Bonds in the event of default.

9. ILLEGALITY

If the Bank determines that the introduction or variation of any law, regulation or official directive (whether or not having the force of law) or any change in the interpretation or application thereof makes it unlawful for the Bank to maintain, fund or give effect to its obligations hereunder, the Bank shall forthwith give notice of such termination to you whereupon the Banking Facility to such extent shall be cancelled and you will forthwith upon notice from the Bank repay all monies outstanding under the Banking Facility together with interest thereon and all other monies agreed to be paid by you hereunder.

10. RIGHT TO DEBIT ACCOUNT

You are required to maintain a current account with the Bank and the Bank is authorised to at any time and from time to time with notice to you and without any obligation whether at law or in equity so to do, to debit any of your accounts for:-

- (a) Any payment of principal or interest due under the Banking Facility; and/or
- (b) All expenses, duties, fees and other sums due and payable arising from the Banking Facility including but not limited to late payment fee, interest, service charges and commitment fees

Provided further that such debiting shall not be deemed to constitute full or partial payment of the amount due (except to the extent of any amount in credit in your current or other accounts to cover such amount) or shall be deemed to be a waiver of an event of default.

11. INCREASED COST

Where the Bank determines that, as a result of the introduction or variation of any law, order, regulation or official directive (whether or not having the force of law), or any change in the interpretation or application thereof by any competent authority, or compliance with any request (whether or not having the force of law) from Bank Negara Malaysia or other fiscal, monetary or other authority, the cost to the Bank of making available or continuing to make available the Banking Facility is increased or the amount of any sum received or receivable by the Bank in respect of the Bank making or continuing to make available the Banking Facilities or the effective return to the Bank under the Banking Facility is reduced

**STANDARD TERMS AND CONDITIONS COVERING BANKING FACILITY GRANTED BY RHB BANK BHD ("THE BANK") FORMING PART OF THE BANK'S LETTER OF OFFER**

or the Bank is obliged to make any payment (except in respect of tax on the Bank's overall net income) or forego any interest or other return on, or calculated by reference to the amount of any sum received or receivable by the Bank from you under the Banking Facility, then the Bank shall notify you of the circumstances leading to the Bank's determination and:-

- (a) You shall on demand pay to the Bank such reasonable amounts as the Bank from time to time and at any time notify you to be necessary to compensate the Bank for such additional cost, reduction, payment or foregone interest or return provided that nothing herein contained shall prevent you from taking all necessary steps to mitigate the effect of such increased cost; and
- (b) At any time thereafter, so long as the circumstances giving rise to the obligation to make the compensating payment continue, you may upon giving the Bank not less than thirty (30) calendar days' notice, cancel the Banking Facility.

12. MARKET DISRUPTION

If in the opinion of the Bank, there has, since the date of this offer, been a change in national or international monetary, financial, economic or political conditions or currency exchange rates or exchange control which would render the Banking Facility temporarily or permanently commercially impracticable or impossible, the Bank shall notify you thereof, and:-

- (a) Whilst such circumstances exist, no utilisation of the Banking Facility will be allowed;
- (b) The Bank shall negotiate in good faith for an alternative basis acceptable to the Bank for continuing the Banking Facility; and
- (c) Unless within thirty (30) calendar days after the giving of such notice such circumstances cease to exist or an alternative basis acceptable to the Bank is arrived at, the Banking Facility shall be cancelled.

13. AVAILABILITY OF FUNDS/REVIEW

The availability of the Banking Facility is subject always to availability of funds to the Bank and to the Bank's discretion to review the Banking Facility (including but not limited to the limits established by the Bank on any of the Banking Facility) at any time and from time to time. The Bank reserves the right to terminate or withdraw the Banking Facility at any time should the Bank be of the view that there are permissible grounds for doing so and shall keep you informed of such grounds which permit the Bank to terminate or withdraw the Banking Facility.

14. REVIEW

The Bank reserves the right to review the Banking Facility at any time and from time to time and nothing herein contained shall be deemed to impose on the Bank any obligation either at law or in equity to make or to continue to make available the Banking Facility.

15. WAIVER AND INDULGENCE

The terms and conditions herein may be waived by the Bank in whole or in part with or without conditions at the discretion of the Bank without prejudicing the rights of the Bank hereunder and any failure by the Bank to enforce any of the provisions hereunder or any forbearance, delay or indulgence granted by the Bank to you shall not be construed as a waiver of the Bank's rights hereunder.

16. FINANCIAL SERVICES ACT 2013 ("FSA")

The granting of the Banking Facility to you shall be upon the condition that the Bank will not breach or contravene any law, legislation or regulation including, without limiting the generality of the foregoing, the provisions of FSA or any other provisions thereof. In particular, you are to declare to the Bank that you are not directly related as a spouse, child or parent to any of the directors, officers or employees of the RHB Banking Group. In the event any such relationship is established or discovered now or in future, the Bank reserves the right forthwith to terminate and recall the Banking Facility.

17. INFORMATION DISCLOSURE

The Bank shall have the right to provide any information on you and the Banking Facility to:-

- (a) Bank Negara Malaysia, Central Credit Bureau, and such other authorities as may be authorised by law to obtain such information;
- (b) Companies within the RHB Banking Group who may at any time or from time to time be considering offering you financial facilities/services or products;
- (c) Guarantor(s), chargor(s), and/or any other person(s) providing security(ies) for the Banking Facility; and
- (d) Solicitors and/or other agents in connection with the recovery of the monies due and payable hereunder.

You confirm that the Bank shall be under no liability for furnishing such information whether before, on or after the date of the Letter of Offer.

18. DUTY TO VERIFY STATEMENTS OF ACCOUNTS

You are to verify all statements of accounts sent to you by the Bank and immediately revert to the Bank in the event of any discrepancy in such statements of accounts within seven (7) calendar days failing which they shall be deemed to be conclusive and binding against you.



STANDARD TERMS AND CONDITIONS COVERING BANKING FACILITY GRANTED BY RHB BANK BHD ("THE BANK") FORMING PART OF THE BANK'S LETTER OF OFFER

19. STATEMENT BY BANK

- (a) The certificate of the Bank as to the amount outstanding, due and payable, shall be final and conclusive and shall not, in the absence of manifest error, be questioned on any account whatsoever.
- (b) In the event you have selected for e-Statement in the Statement Type, you hereby acknowledge that you have read, agreed to and understand the contents stipulated in the Electronic Statement User Agreement – Terms & Conditions ("e-Statement T&C") and you agree that you shall be bound by the said e-Statement T&C. The Bank shall be entitled at its absolute discretion at any time and from time to time to vary, amend, add and/or delete any clause in the said e-Statement T&C. You may view the e-Statement T&C by visiting www.rhbgroup.com.

20. SUSPENSE ACCOUNT

Any money received by the Bank in respect of the Banking Facility may be kept to the credit of a suspense account for so long as the Bank thinks fit without any obligation in the meantime to apply the same or any part thereof in or towards settlement of any liabilities due by you to the Bank.

21. BANKRUPTCY SEARCH

The Bank will conduct bankruptcy searches on you/your guarantor(s) prior to the disbursement of the facility(ies) and at any time or from time to time thereafter. All charges incurred with regards to the bankruptcy searches are to be borne by you. In the event that any of the searches confirm that you/your guarantor(s) are an adjudged bankrupt or if there are any legal proceedings, suits or actions of any kind whatsoever (civil or criminal) shall be instituted against you or your guarantor, the Bank reserves the right to withdraw, cancel, terminate and/or recall the facility(ies) granted to you.

22. SET OFF/COMBINATION OR CONSOLIDATION OF ACCOUNTS

- (a) The Bank shall be entitled (but shall not be obliged) at any time and by giving seven (7) calendar days notice to you to combine, consolidate or merge all or any of your accounts and liabilities with and to the Bank anywhere whether in or outside Malaysia whether alone or jointly with any other person and may transfer or set off any sums in credit in such accounts in or towards satisfaction of any of your liabilities whether actual or contingent, primary or collateral notwithstanding that the credit balances on such accounts and liabilities on any other accounts may not be expressed in the same currency and the Bank is hereby authorised to effect any necessary conversions at the Bank's own rate of exchange then prevailing.
- (b) Without prejudice to the generality of the above, the Bank further reserves the right at any time and by giving seven (7) calendar days' notice to you to debit any of your accounts (whether in credit or debit) with the Bank for all payments due and payable by you howsoever to the Bank.

23. TERMS AND CONDITIONS RELATING TO OVERDRAFT FACILITY

- (a) You shall open a current account with the Bank and the Overdraft shall be utilised by drawing against such account.
- (b) Utilisation of the Overdraft facility shall be in such manner as the Bank may from time to time prescribe and in accordance with the normal usages and practices of banking in Malaysia.
- (c) You are to operate your account with the Bank in a satisfactory manner and pay the monthly interest in respect of the Overdraft facility promptly failing which the Bank reserves the right to vary the terms and conditions imposed including the interest rate.
- (d) Your Overdraft account must be operated actively and within the approved limit at all times and the Bank reserves the right to close the said account and to recall the Overdraft facility in the event your account is blacklisted under the BNM, Bank's system or any authorities as may be authorized by law.

24. OTHER TERMS AND CONDITIONS

- (a) The interest on any principal monies including capitalised interest shall at the end of each month be capitalised and added for all purposes to the principal sum then owing and shall thenceforth bear interest as well after as before judgment at the prevailing interest rate and notwithstanding the fact that the relationship of banker-customer between the Bank and you may cease for any reason whatsoever.
- (b) In the event the Bank recalls the Banking Facility or any part thereof, the Bank shall have the further right to impose at the Bank's discretion additional interest over the Standard Base Rate on the amount outstanding.
- (c) The Bank reserves the right to capitalise interest in the event that the Banking Facility is under recall notwithstanding the termination of banker-customer relationship for any reason whatsoever. The Bank shall charge additional interest at such rate that may be imposed at any time and from time to time by the Bank at its discretion over and above the Bank's prevailing Standard Base Rate as well after as before judgment.
- (d) No delay in exercising or omission to exercise any right, power or remedy accruing to the Bank upon any default on your part shall impair such right, power or remedy or be construed to be waiver thereof or an acquiescence in such default.
- (e) If any of the provisions of the Letter of Offer becomes invalid, illegal or unenforceable in respect of any law, the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired.
- (f) The Bank reserves the right to vary, substitute, add and/or subtract security imposed in relation to the Banking Facility hereof.
- (g) The Bank reserves the right to impose and/or revise interest rates, service fees and /or other charges from time to



STANDARD TERMS AND CONDITIONS COVERING BANKING FACILITY GRANTED BY RHB BANK BHD ("THE BANK") FORMING PART OF THE BANK'S LETTER OF OFFER

time with prior notice to the Borrower and they shall become effective on such date as the Bank may elect to adopt and for which the Bank shall be entitled to debit from the account, however for changes in fees and charges at least 21 calendar days' prior notice before the effective date is required. A notice of such additions or amendments or variations may be effected by:-

- (i) Displaying the same at the premises of the Bank or its branch offices or by mailing the aforesaid notice to the Borrower; or
 - (ii) By posting the notice of the same on RHB Bank's website or any RHB Bank's communication channel.
- (h) In the event that customer has opted-in in relation to the disclosure of information for the purpose of cross selling, marketing and promotions in the application form and the customer subsequently wants to opt-out or vice versa, customer may contact their Domicile Branch to change the option.

25. AGENSI 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 1-800-88-2575.