



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

**1. INTEREST RATE(S)/BANKING CHARGES/OTHER CHARGES**

**(A) INTEREST**

You must pay interest on all monies due and payable by you and/or outstanding to the Bank relation to the Banking Facility, at such rate or rates as may be stipulated by the Bank at any time. Without affecting the above provision, the interest payable by you in respect of the Banking Facility is as specified under the column Interest Rate in Page 1 of this Letter of Offer. Interest at the rate stated in this Letter of Offer must be paid by you before as well after any judgment or order of court.

**(B) VARIATION OF INTEREST**

The Bank may at its discretion and at any time vary the Bank's BR or SBR and/or the Margin of Interest imposed above the Bank's BR or SBR in the following manner:

- (a) In respect of the Bank's BR or SBR, by displaying at the Bank's premises a general notice on the change in the Bank's BR or SBR addressed to the public generally and such display will be deemed to be an effective notice on you, or by any other methods deem fit and proper by the Bank; and
- (b) In respect of the change in the Margin of Interest imposed above the Bank's BR or SBR, by serving a notice in writing to you at least seven (7) calendar days before the effective date of such change on the rate(s), and such notice will 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 this Letter of Offer.

The Bank may at any time at its discretion with prior written notice to you change the fundamental basis of calculation of the prescribed rate (whether the BR or SBR or any other basis). In any case, the effective date of the change in the Bank's BR or SBR and/or Margin of Interest imposed above the Bank's BR or SBR will be the date specified in the notice or in the display at the Bank's premises.

**2. COMMITMENT FEE FOR OVERDRAFT FACILITY**

The Bank may, with written notice to you,

- (a) impose a commitment fee as compensation to the Bank of such rate as the Bank may at any time at its discretion stipulate on the portion of the Overdraft Facility as unutilised by you up to the aggregate approved limit, commencing from the date when the Overdraft Facility is made available to you for utilisation;
- (b) A commitment fee of one per cent (1%) per annum will be levied on the daily unutilized portion of the Overdraft if the total/accumulative Overdraft facility granted exceeds RM250,000.00 within the Bank.

**3. INTEREST ON EXCESS AMOUNT/DEFAULT RATE**

Without affecting any of the Bank's rights and remedies as set out in this Letter of Offer:

- (a) If you fail to pay on the due date any moneys payable in respect of the Banking Facility, you must pay to the Bank liquidated damages, by way of additional interest at one per cent (1%) per annum on the outstanding amount, calculated from the due date until the date you pay such outstanding amount; and
- (b) the Bank will not permit any excess/temporary overdrawn above the limit approved in this Letter of Offer. However, if an excess is created in your account (due to, for example, interest accumulation or the expiry of the Overdraft Facility), the Bank may impose, at the Bank's discretion and with written notice to you, 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 that there is no longer any excess/temporary overdrawn above the limit.

In spite of the above, the Bank may at its discretion at any time vary the rate(s) of the additional interest, and the Bank must give you twenty one (21) calendar days written notice prior to the effective date of such variation.

**4. REPAYMENT**

**(A) HOUSING LOAN/TERM LOAN**

(a) Installment payment will commence as follows: -

- (i) On the fifth (5<sup>th</sup>) day of the third (3<sup>rd</sup>) month from the month of disbursement and on every fifth (5<sup>th</sup>) day of each following month until full settlement, if the final disbursement is made within the First Disbursement Period (as defined in these Terms and Conditions) in the month disbursement.
- (ii) Every fifth (5<sup>th</sup>) day of the second (2<sup>nd</sup>) month from the month of disbursement and on every fifth (5<sup>th</sup>) day of each following month until full settlement, if the final disbursement is made within the Second Disbursement Period (as defined in these Terms and Conditions) in the month of disbursement.

(b) Interest payment during progress release will commence as follows: -

- (i) On the fifth (5<sup>th</sup>) day of the third (3<sup>rd</sup>) month from the month of disbursement and on every fifth (5<sup>th</sup>) day of each following month until full settlement, if the first (1<sup>st</sup>) disbursement is made within the First Disbursement Period (as defined in these Terms and Conditions) in the month of disbursement.
- (ii) On the fifth (5<sup>th</sup>) day of the second (2<sup>nd</sup>) month from the month of disbursement and on every fifth (5<sup>th</sup>) day of each following month until full settlement, if the first (1<sup>st</sup>) disbursement is made within the

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Second Disbursement Period (as defined in these Terms and Conditions) in the month of disbursement.

- (c) For the purpose of this section/clause:
- (i) "First Disbursement Period" refers to the last fifteen (15) days from the due date.
  - (ii) "Second Disbursement Period" refers to the other days of the billing cycle of disbursement excluding the First Disbursement Period.
- (d) In spite of the above, if the rate of interest payable by you on the Banking Facility is varied in the manner as provided in this Letter of Offer, the Bank may at its discretion, with prior written notice to you, make the necessary adjustment following such variation, either by varying the amount of any Installments or by varying the number of Installments.

**(B) OVERDRAFT**

- (a) Overdraft Facility is subject to periodic review at the Bank's discretion.
- (b) For Overdraft Facility, interest must be paid monthly and is calculated on the daily outstanding balance of the Overdraft Facility and is converted to capital at the end of the month subject to a minimum charge of RM5.00 per month.

Regardless of any provisions in this Letter of Offer, you agree to pay and/or repay the Bank the Overdraft Facility together with all moneys due under the Overdraft Facility immediately on any demand being made by the Bank at any time, irrespective whether an event of default has occurred or is continuing.

**5. SECURITY**

The Banking Facility is made available to you subject to you providing the securities set out in this Letter of Offer.

- (a) If the Banking Facility is secured against property ("the Property") which the individual/strata issue document of title to the Property is not available and/or has not been issued, you undertake (once separate individual/strata title to such Property is issued) to deliver and sign and/or cause the registered owner of the property to deliver and sign all relevant documents necessary to create a valid and registrable first charge over the Property in favour of the Bank,
- (b) If the Banking Facility is secured against fixed deposit, interest earned from such fixed deposit security is to be converted to capital and added to the principal amount and form part of the security. The Bank may uplift the fixed deposit (whether or not it has matured), to pay any sum due and payable including interest if the Banking Facility is not serviced promptly. The Bank may, with written notice to you, renew such fixed deposit security annually during the tenure of the Banking Facility.

The Bank may, 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 from time to time.

**6. CONDITIONS PRECEDENT**

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

- (a) The Bank must receive your acceptance of this Letter of Offer. In addition, all security documents must be signed by you (and/or the relevant party providing security for the Banking Facility) within one (1) month of your acceptance of this Letter of Offer (or such extended period of time as granted by the Bank may agree). If you fail to sign such security documents, the Bank may cancel the Banking Facility with prior written notice to you. Any cost(s) and expenses whatsoever incurred by the Bank arising from this cancellation is to be paid by you. The Bank may with written notice to you, recover all such cost(s) from you.
- (b) The Bank is satisfied that no event of default as stated in these Terms and Conditions has occurred so as to cause the Banking Facility, to become immediately repayable.
- (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 affects your ability and/or the ability of any party providing security for the Banking Facility ("the Security Party") to observe and perform your/their respective obligations as stated in this Letter of Offer or in the security documents.
- (d) The Bank's solicitors have confirmed that a search conducted at the Official Assignee's Office/ Official Receiver's Office discloses that no bankruptcy proceedings or winding up petitions (as the case may be) have been commenced (or presented) against you and /or any Security Party.
- (e) All security documents required in this Letter of Offer and/or such other documents as may be required by the Bank and/or its solicitor must be 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 must be deposited with the Bank.
- (f) You 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.
- (g) If the Property is charged/assigned to a financier(s), the receipt by the Bank of the redemption statement from the financier(s) of the Property, confirming the redemption sum required to redeem the Property, together with an undertaking in favour of the Bank to deliver:-



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- (i) if the individual title to the Property has been issued by the relevant authorities, the issue document of title to the Property, the registered duplicate charge and the duly executed discharge of charge; or
- (ii) if the individual title to the Property is yet to be issued by the relevant authorities, the Sale and Purchase Agreement, the original stamped copy of the Deed of Assignment in favour of the financier, the duly executed Deed of Receipt and Reassignment, duly consented to by the developer and the registered proprietor (if relevant), as well as all other documents required from the financier, to enable the registration or perfection of the Bank's rights, title and interest in respect of the Property;

and to refund the redemption sum to the Bank if the discharge of charge cannot be registered for any reason or (as the case may be) the Receipt and Reassignment cannot be perfected for any reason.

- (h) If there is unencumbered title to the Property, the transfer document(s) ("the Transfer") has been completed and executed, and the consent of the developer and/or the federal, state or local government, statutory or other quasi- government or regulatory authority or body having jurisdiction or authority to grant the approval for the transfer of the Property, has been obtained and forwarded to the Bank and endorsed on the Transfer (where applicable).
- (i) The bridging financier has given its undertaking to exclude the Property from any foreclosure proceeding if any proceeding is taken against the developer, and gives its disclaimer of further rights and interest in the Property after receiving the redemption sum, and the further undertaking to execute a valid and registrable discharge of charge of the charge in favour of the bridging financier.
- (j) The Banking Facility approved by this Letter of Offer can be drawdown on completion of legal documentation and fulfillment of such conditions precedent as the Bank may require, and if the Bank is satisfied that there are no material changes affecting your financial conditions.

**7. EVENTS OF DEFAULT**

All monies outstanding and payable under the Banking Facility, together with interest on such monies must immediately be repaid by you, on demand made by the Bank or on the occurrence of any of the following events:-

- (a) You default in paying on due date any money payable under the Banking Facility;
- (b) You fail to observe or perform any agreements, covenants, stipulation, terms and/or conditions relating to the Banking Facility;
- (c) Any of your, or your guarantor(s) indebtedness may be declared due prematurely because you or your guarantor(s) fail to pay such indebtedness. Or, if you or any of your guarantor(s) fail to pay such indebtedness on the due date for such payment (or if due on demand, when demanded). Or, if the security for any such indebtedness becomes enforceable;
- (d) You abandon your course of study; (applicable for study loan);
- (e) You are prohibited from continuing with the course by your college/university; (applicable for study loan);
- (f) A distress or execution or other process of a court be levied on or issued against your Property, and such action is not satisfied by you within seven (7) days from the date of such action;
- (g) You enter into any arrangement or composition with your creditors;
- (h) If legal proceedings, suits or actions of any kind (whether civil or criminal) are 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 in this Letter of Offer or in the guarantee, as the case may be;
- (i) 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) days;
- (j) Your guarantor is declared a bankrupt;
- (k) You or any of your guarantor(s) (if any) become insane or dies;
- (l) Any of the security documents given to the Bank is or becomes, for any reason, invalid or unenforceable; or
- (m) If the Bank in its discretion consider that the Banking Facility, or any of its security, or its security position, to be in jeopardy;
- (n) If the Bank considers that the Banking Facility, or any of its security or its security position, is in jeopardy;
- (o) If in the Bank's opinion your account(s) with the Bank has/have been unsatisfactorily conducted; or
- (p) Any other events of default as specified in the Facility Agreement.

**8. CROSS DEFAULT**

If:

- (a) any of your other 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 Banking Facility, and the Bank may at its discretion exercise any of its rights and remedies under the Banking Facility and/or this Letter of Offer due to such event of



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default.

**9. SPECIFIC CONDITIONS FOR DRAWDOWN/UTILIZATION**

Subject to the conditions precedent stated in this Letter of Offer and such other conditions which the Bank may prescribe being duly satisfied, you may drawdown the Banking Facility on the following terms:-

**(A) Housing Loan/Term Loan Facility**

- (a) The Banking Facility is for financing of building(s) of permanent construction. If the building(s) is/are of semi-permanent construction or temporary construction, the Bank may, with prior written notice to you, cancel the Banking Facility, and all incidental cost(s) must be paid by you. The Bank may, with written notice to you, collect all such cost(s) from you.
- (b) Receipt by the Bank of documentary evidence, to the satisfaction of the Bank, that the differential sum between the purchase price of the Property being financed and the Banking Facility has been fully paid by you;
- (c) There is no breach of any of the terms of the sale and purchase agreement or any other agreement pertaining to the rights to the Property ("the Sale and Purchase Agreement");
- (d) If the Property is under construction, the certificate from the developer's architect is issued to the Bank for the respective stages of completion of work done, in accordance with the schedule of payment in the Sale and Purchase Agreement, and that the construction of the Property is in compliance with building plans and specifications;
- (e) The undertaking of the developer has been given in favour of the Bank:
  - (i) to deliver to the Bank the issue document of title, the duly executed valid and registrable transfer, and such other documents required to transfer the Property ("the Transfer Documents"),
  - (ii) to refund the Banking Facility or any part of the Banking Facility released by the Bank to them, if the certificate of fitness for occupation of the Property cannot be obtained, or if the transfer (and/or the charge or assignment in favour of the Bank) cannot be registered or perfected for any reason, or if the Property is not completed, and
  - (iii) to obtain the consent of the developer, and/or the approval of the relevant government or regulatory authority or body, for the transfer/charge/assignment of the Property;
- (f) The bridging financier has given its undertaking to exclude the Property from any foreclosure proceeding if any proceeding is taken against the developer, and gives its disclaimer of further rights and interest in the Property after receipt of the specified redemption sum, and the further undertaking to execute a valid and registrable discharge of charge of the charge in favour of the bridging financier;
- (g) The original executed and stamped Sale and Purchase Agreement and the Transfer Documents are delivered to the Bank;
- (h) The opening of a savings/current account by you with the Bank, for credit of the balance of the Housing Loan/Term Loan Facility if any;
- (i) For Property purchased for own occupation/use, you must sign a statutory declaration confirming such own occupation;
- (j) If the Housing Loan/Term Loan Facility is for the finance of construction cost of building(s), you must:-
  - (i) give the Bank documentary evidence confirming that the difference between the construction cost of the Property and the amount of the Banking Facility has been duly paid by you;
  - (ii) give the Bank documentary evidence confirming that approvals for the building and layout plans have been obtained from the relevant authorities;
  - (iii) give the Bank your architect's/quantity surveyor's certificates, certifying that the construction cost is not less than the amount as specified under the heading "Security". If the construction cost is less than the amount as specified under the heading "Security", the Bank may, with written notice to you, reduce the Housing Loan/Term Loan Facility, in accordance with the margin of advance (as stipulated under the heading "Margin of Advance") of the construction cost;
  - (iv) the Banking Facility will be disbursed progressively against the certificate from the developer's architect for work done at the site. The Bank may at its discretion appoint the Bank's panel valuer to conduct a site visit to ensure that the site completion is done according to the certificate from the developer's architect; and
  - (v) declare to the Bank that the building(s) constructed is/are to be occupied by you.

**(B) Overdraft Facility**

- (a) The opening of and maintenance of a current account with the Bank, which Overdraft Facility must be utilised by drawing against such account;
- (b) If the Banking Facility is a combination of Housing Loan/Term Loan/Overdraft facility, the Overdraft Facility will be released only after the full disbursement of the other facility; and
- (c) If any part of the Overdraft Facility is granted for the purpose of financing the purchase of a Property/house, the Conditions Precedents set out in sub-clauses of clause 9(A)(a) to (j) above (in relation to "Housing Loan/Term Loan Facility") will apply with the necessary modifications to this clause 9(B).



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**(C) Study Loan Facility**

- (a) The Bank receives documentary evidence (to the Bank's satisfaction) that the differential sum between the tuition/course fees and the Banking Facility has been fully paid by you;
- (b) The Bank receives evidence of admission to a college or university recognised by the Malaysian government, and the schedule of payment/drawdown of tuition fees and expenses; and
- (c) The Bank receives confirmation from the college/university that you have not abandoned your course or have been prohibited by the college/university (or such other authority) from continuing in your course.

**10. IRREVOCABLE RIGHT TO DEBIT ACCOUNT**

You must maintain a savings/current account with the Bank, and you irrevocably and unconditionally authorise the Bank at any time, to deduct your account for:-

- (a) any payment of principal or interest due under the Banking Facility; and
- (b) with written notice to you, all expenses, duties, fees and other sums due and payable arising from the Banking Facility including service charges, commitment fees and insurance premium (Fire Insurance, Houseowners Insurance, MRTA and/or CLTA).

In any case, such deduction will not be deemed to be payment of the amount due (except to the extent of any amount in credit in your current or other accounts) and will not be deemed to be a waiver of an event of default.

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

- (a) 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, expenses in respect of the Banking 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 Banking Facility (including for preparing, stamping and registering any security documents and lodging and withdrawing caveats as required by the Bank) even if such documents are not signed by you. For the avoidance of doubt, the professional fees in this clause includes pre-disbursement initial valuation fees of the Property.
- (b) You must 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 collection of any moneys payable under the Banking Facility.
- (c) You may appoint your preferred legal firm (as long such legal firm meets the Bank's minimum criteria) to prepare the loan documentation. However, to avoid any delay relating to the process of documentation due to unfamiliarity with the Bank's documentation or process, the appointment of the Bank's panel lawyers is highly encouraged.

**12. AVAILABILITY OF FUNDS/REVIEW**

The Banking Facility is made available subject to availability of funds to the Bank and the Bank's discretion to review the Banking Facility at any time. The Bank may with prior written notice to you, terminate or withdraw the Banking Facility at any time if the Bank is of the view that there are grounds for such termination or withdrawal. The Bank will keep you informed of such grounds which permit the Bank to terminate or withdraw the Banking Facility.

**13. FINANCIAL SERVICES ACT 2013 ("FSA")**

The granting of the Banking Facility to you is on the condition that the Bank will not breach or contravene any law, legislation or regulation, including the provisions of the FSA. In particular, you must 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. If any such relationship is established or discovered now or in future, the Bank may (with prior written notice to you) terminate and recall the Banking Facility.

**14. INFORMATION DISCLOSURE**

You consent to and authorise the RHB Banking Group (including 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 relating to you or its account(s), facility(ies), its partners (if applicable) to and/or with the following parties including:-

- (a) any companies within the RHB Banking Group, whether within or outside Malaysia for 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, if applicable;



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- (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.

**15. INSURANCE/MRTA/CLTA**

**(A) INSURANCE OF PROPERTY**

- (a) The Property to be charged/assigned to the Bank is to be insured, it may be obtained on your behalf by the Bank with RHB Insurance Bhd (RHBI), or by you with any other insurance company ("Insurer"), 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, charge your loan/overdraft account for payment of the insurance premium and the yearly renewal premium to RHBI /Insurer.
- (b) If you nominate any insurance company of your choice for the above coverage, you must give the Houseowners Policy/Fire Policy ("Policy") to our Bank before drawdown of the Banking Facility, and the subsequent yearly renewal of such Policy to the Bank fourteen (14) days before the expiry of such Policy.
- (c) If such Policy from other insurance company other than RHBI or Bank nominated insurance company is not available at the time of disbursement of the Banking Facility, the Bank has the discretion, with written notice to you, to obtain the coverage under RHBI or Bank nominated insurance company as stated in sub-clause (a) above. On expiry of the RHBI or Bank nominated insurance company Policy, or on renewal date, you may then nominate any other insurance company of your choice subject to sub-clause (b) above on yearly renewal conditions.
- (d) If the yearly renewal of Policy is not received by the Bank fourteen (14) days before the expiry of the Policy, the Bank may at its discretion, with written notice to you, obtain coverage for the Property under RHBI or Bank nominated insurance company as stated in sub-clause (a) and (b) above.

The Bank will not cancel any RHB Insurance Berhad or other nominated insurance company (as stated in sub-clause (b) above) Policy which is still in full force and effect until the expiry of such Policy.

For convenience, we encourage you to allow our Bank to manage the Houseowners Policy/Fire Policy on your Property with RHB Insurance Berhad or other nominated insurance company (as stated in sub-clause (b) above).

**(B) MRTA/CLTA**

- (a) If the Bank fully or partially finance the premium on the MRTA/CLTA for your Banking Facility, such MRTA/CLTA policy coverage must be obtained from Tokio Marine Life Insurance Bhd or other insurer of your choice, with a non-cancellation clause and the Bank's interest as loss payee endorsed in such policy.
- (b) If the Bank fully or partially finance the premium for MRTA/CLTA and you decide to choose an MRTA/CLTA insurer other than Tokio Marine Life Insurance Bhd, then the Bank will cancel such MRTA/CLTA premium financing facility.
- (c) You may choose any MRTA/CLTA insurer of your choice, if the premium is not financed by the Bank.

**16. LETTER OF UNDERTAKING TO DEVELOPER**

- (a) If applicable, the Bank may at its discretion issue an undertaking to the developer to release the Banking Facility progressively to the developer, on receipt from the developer of the architect's certificate of work done, in accordance with the schedule of payment in your Sale and Purchase Agreement; and
- (b) You agree that you cannot instruct or compel the Bank to revoke and/or to not give effect to 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 the undertaking has been issued.

**17. LODGEMENT OF PRIVATE CAVEAT**

In the absence of an individual title, the Bank may lodge a private caveat on the Master Title for the land comprising your Property, pending issuance of the individual title. All expenses incidental to the lodgment, renewal and withdrawal of the private caveat are payable by you. The Bank may, with written notice to you, deduct all such expenses from your account with the Bank.

**18. DUTY TO VERIFY STATEMENTS OF ACCOUNTS**

You must verify all statements of accounts sent to you by the Bank and immediately inform the Bank if there is any discrepancy in such statements of accounts, and if you fail to do so then such statements of accounts will be deemed to be conclusive and binding against you.

**19. STATEMENT BY BANK**

- (a) The certificate of the Bank as to the amount outstanding, due and payable, will be final and conclusive and not (except for manifest errors) be questioned on any account.
- (b) If you have selected for e-Statement in the Statement Type, you acknowledged 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 agreed that you will be bound by such e-Statement T&C. You may view the e-Statement T&C by visiting [www.rhbgroup.com](http://www.rhbgroup.com)

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- (a) Any instalment payment, or any other payments made by you to the Bank, is deemed to be a repayment of principal until all interest due or deemed to be due to the Bank have been paid.
- (b) Subject to the other terms and conditions in this Letter of Offer, you may prepay the whole or part of the outstanding amount of the Housing Loan/Term Loan at any time, without giving the Bank prior notice.
- (c) All partial prepayment will be applied towards the repayment of the instalments of the Housing Loan/Term Loan in the inverse order of their maturity.
- (d) All amounts prepaid will not be available for redrawing.
- (e) You must pay the instalments/interest in respect of the Housing Loan/Term Loan promptly, and if you fail to do so the Bank may, with prior written notice to you and by stating reasons in such written notice, vary the terms and conditions imposed.
- (f) If you do not repay principal sum and/or interest on the due dates, the Bank may impose at the Bank's discretion, with written notice to you, additional interest to the prevailing interest rate chargeable on the total amount outstanding of the Housing Loan/Term Loan. The Bank may, with written notice to you, charge such interest to your account.

**21. TERMS AND CONDITIONS RELATING TO OVERDRAFT FACILITY**

- (a) Utilisation of the Overdraft Facility must be in such manner as the Bank may from time to time prescribe, and in accordance with normal banking practice.
- (b) You must operate your account with the Bank in a satisfactory manner and pay the monthly interest in respect of the Overdraft Facility promptly, and if you fail to do so then the Bank may vary the terms and conditions imposed including the interest rate by giving twenty one (21) days' written notice prior to the effective date and stating the reason for such variation in such written notice.
- (c) Your Overdraft account must be operated actively and within the approved limit at all times, and the Bank may, with written notice to you, close such account and, with prior written notice to you, recall the Overdraft Facility if your account is blacklisted under the Bank's dishonoured cheque tracking system.

**22. 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 to pay any amount due and payable by you to the Bank. The Bank may at its discretion do anything to cause such deduction to be made under this clause (including making currency exchanges).

**23. OTHER TERMS AND CONDITIONS**

- (a) The interest on any principal monies, including interest that is converted to capital will at the end of each month be added for all purposes to the outstanding principal sum, and will then bear interest (before as well after judgment) at the prevailing interest rate, even if the relationship of banker-customer between the Bank and you may cease for any reason.
- (b) If the Bank recalls any part of the Banking Facility, the Bank further may impose at the Bank's discretion, with written notice to you, additional interest over the Base Rate or Standardised Base Rate on the amount outstanding. The Bank may, with written notice to you, convert interest to capital if the Banking Facility is under recall, despite any termination of the banker-customer relationship for any reason.
- (c) The Bank may, with written notice to you, charge additional interest, at such rate that may be imposed at any time by the Bank at its discretion, above the Bank's prevailing Base Rate or Standardised Base Rate (before as well after judgment).
- (d) You agree that if the Bank does not exercise its rights or remedies under the Banking Facility fully or at any given time, the Bank may still exercise such right or remedy at a later time.
- (e) If any provision of this Letter of Offer becomes invalid, the validity of the remaining provisions will not in any way be affected.
- (f) The Bank may vary, substitute, add and/or subtract security imposed in relation to the Banking Facility, by giving prior written notice to you and by stating reasons for such variation, substitution, addition and/or subtraction in such written notice.
- (g) The Bank may impose and/or revise interest rates, fee and/or other charges at any time with at least twenty one (21) calendar days prior written notice before the effective date to you (and the reason for such imposition and/or revision of the interest rates, fee and/or other charges will be specified in the written notice), and for which the Bank may, with written notice to you, deduct from your account.

**24. REDEMPTION BEFORE FULL RELEASE OF THE BANKING FACILITY**

Before the full release of the Housing Loan/Term Loan and/or Overdraft Facility to the developer, contractor or any person concerned with the construction of the Property, you may prepay the outstanding amount of the facilities and redeem the Property, only if you comply with and perform such terms and conditions as we may impose, including your giving us a letter, from the developer, contractor or such other person to whom we have given our undertaking to release the Housing Loan/Term Loan and/or Overdraft Facility, discharging us from all our obligations under such undertaking.



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**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 these Terms and Conditions.

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

The Borrower hereby: -

(1) represents and warrants to, and undertakes with, the Bank that: -

- (a) it has 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) it has 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) it has 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) it has 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;



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**"serious offence"** means:-

- (a) any of the offences specified in the Second Schedule of 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 or more persons and any related transaction between any of the persons concerned and another;

(2) acknowledges and agrees with the Bank that:-

- (a) the Bank is obliged to comply with all applicable laws, regulations, directives, policy documents, guidelines, practice directions, sanctions, industry standards and practices and other requirements, including without limitation the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001, the Strategic Trade Act 2010, Financial Services Act 2013 and the Islamic Financial Services Act 2013, to which the Bank as a licensed Islamic 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 Facility or to grant or make available of, or to disburse any funds under, the Banking Facility, has occurred or arisen, or the approval of the application for the Banking Facility or the granting or making available of, or the disbursement of any funds under, the Banking Facility would contravene any of the Regulatory Requirements (in whole or in part), including without limitation the Bank's receipt of any alert or positive name match from the relevant checks conducted on the Borrower and any related third party involved in the underlying transaction(s) (including without limitation the vendor/ developer/ promoter/ agent/ trustee/ supplier to whom any funds under the Banking Facility are to be disbursed) by the Bank pursuant to the Regulatory Requirements, then, notwithstanding anything to contrary contained in this Letter of Offer, the Bank shall, at any time with prior written notice, be entitled to:-
  - (i) reject the Borrower's application and do all such acts and things as may be necessary to comply with the Regulatory Requirements;
  - (ii) suspend the Banking Facility, and do all such acts and things as may be necessary to comply with the Regulatory Requirements; and/ or
  - (iii) cancel the Banking Facility and terminate its relationship with the Borrower, and do all such acts and things as may be necessary to comply with the Regulatory Requirements.

If the Banking Facility are cancelled/ terminated by the Bank pursuant to their compliance to Regulatory Requirements:-

- (aa) the Indebtedness shall immediately become due and payable;
- (bb) the security created under the Security Documents shall immediately become enforceable;
- (cc) no utilisation or further utilisation of the Banking Facility shall be allowed; and
- (dd) the Bank shall be entitled to exercise all or any of its rights and remedies available to it under the Facilities Agreement, the Security Documents, the applicable laws or otherwise;
- (d) it 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/ seize the Banking Facility 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.

(3) undertakes and agrees with the Bank that:-

- (a) it will at all times observe with the Bank's steps in undertaking their obligations towards complying with the Regulatory Requirements;



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- (b) it will be fully liable if found to have contravened the Regulatory Requirements causing legal repercussion to the Bank due to its actions; and
- (c) it understands that any breach(es) due to AMLA and sanction requirements are non-negotiable.

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

The Borrower and Security Party 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). The Borrower and Security Party will be notified by the Bank of any amendments or revisions to the anti-corruption policies and procedures of the Bank, and the Borrower and Security Party are required to read and understand such amendments or revision, which will be made available on the Bank website. If the Borrower or Security Parties do not understand the policies, procedures or any related updates, the Borrower or Security Party may contact the Bank's Group Integrity & Governance Division.

The Borrower and the Security Party each 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. The Borrower and the Security Party each 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.

The Borrower and the Security Party each 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 Borrower's or the Security Party's affairs or business ("Person") in order to:

- (i) 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
- (ii) 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
- (iii) 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:

- (a) money, donation, gift, loan, 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;
- (b) any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;
- (c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
- (d) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
- (e) any forbearance to demand any money or money's worth or valuable thing;
- (f) 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
- (g) any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f).

The Borrower and the Security Party each 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 @ [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.

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 the Borrower 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.

**28. ILLEGALITY**

If the Bank determines that any law, regulation or official directive is introduced or varied or there is any change in the interpretation or application of such law, regulation or official directive, that makes it unlawful for the Bank to



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maintain, fund or give effect to its obligations under the Banking Facility, the Bank will then immediately give notice of such termination to you, following which the Banking Facility will be cancelled, and you must immediately (on notice from the Bank) repay all monies outstanding under the Banking Facility together with interest and all other monies agreed to be paid by you under the Banking Facility.

**29. BANKRUPTCY SEARCH**

The Bank will conduct bankruptcy searches on you/your guarantor(s) before the disbursement of the Banking Facility and at any time later. All charges incurred in connection with the bankruptcy searches before disbursement of the Banking Facility must be paid by you. If any of the searches confirm that you/your guarantor(s) are declared bankrupt, or if there are any legal proceedings, suits, or actions, instituted against you or your guarantor, the Bank may, with prior written notice to you and by stating reasons in such written notice, withdraw, cancel, terminate and/or recall the Banking Facility.

**30. WAIVER AND INDULGENCE**

- (a) You agree that the Bank may at its discretion waive wholly or partly any terms and conditions in this Letter of Offer without affecting the Bank's rights and remedies under the Banking Facility.
- (b) You agree that if the Bank does not exercise its rights or remedies under the Banking Facility fully or at any given time, the Bank may still exercise such right or remedy at a later time.

**31. 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.

**32. 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