

PLEASE TAKE THE TIME TO READ AND UNDERSTAND THESE TERMS BEFORE SIGNING THIS AGREEMENT AS THE TERMS OF THIS AGREEMENT ARE BINDING ON YOU.

AGREEMENT NO:

THIS AGREEMENT made the..... day of..... between (1) CIMB Islamic Bank Berhad (Registration No. 200401032872 (671380-H)), a company incorporated in Malaysia and having its registered office at Level 13, Menara CIMB, No. 1, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur and a branch address at (the “**Owner**”, which expression includes, where the context allows, its successors and assigns) and (2) the hirer described in Part 1 of the Schedule (the “**Hirer**”).

IT IS AGREED as follows:-

1.0 LETTING

1.1 The Owner will let, and the Hirer will take on hire, the goods described in item (i) Part II of the Schedule to this Agreement (the “Goods”, which expression also includes any accessories, replacements, renewals or additions to the same and in the case of a vehicle, anything affixed to the vehicle during the term of this Agreement) subject to the terms and conditions in this Agreement and the provisions of the Hire Purchase Act 1967 (the “Act”).

2.0 COMMENCEMENT

2.1 The hiring will be deemed to have commenced on the date set out in Item (i) Part IV of the Schedule to this Agreement.

3.0 DEPOSIT

3.1 On signing this Agreement the Hirer will pay to the Owner the amount of the deposit (which will become the property of the Owner absolutely) as shown in Item (ii) Part III of the Schedule (the “Deposit”) in consideration of the option to purchase contained in Clause 15 of this Agreement.

4.0 INSTALMENTS AND OTHER PAYMENTS

4.1 The Hirer must pay to the Owner the monthly instalments specified in Part IV of the Schedule hereto (“instalments”) or such revised monthly instalments pursuant to Clause 5 below.

- (a) The Hirer must pay such instalments to the Owner at any of the Owner's branches or via its payment channels or appointed agents as the Owner may specify from time to time.
- (b) The Hirer's liability to pay the instalments will continue even if there are any defects in the Goods or any breakdown of, loss of or damage to the Goods.
- (c) The Owner will be entitled to appropriate first from any payment or payments received from the Hirer, any amounts necessary to settle any sums due from the Hirer under this Agreement (including but not limited to sums due under Clauses 7, 8.2.4, 11 and/or 14.4 and any other permitted charges or fees), even if the Hirer intended for such payment or payments to be appropriated as payment or payments of instalments.
- (d) The rights given by this Clause are without prejudice to any other rights conferred upon the Owner by this Agreement or by the Act for any default in payment by the Hirer of any sum or sums due under this Agreement.

4.2 All payments under this Agreement must be made in Ringgit, free of any exchange fees and bank commission. If the Hirer sends any payments under this Agreement to the Owner by post, such payments will be at the Hirer's own risk. Any payment will only be considered to have been received by the Owner on the actual date of receipt by (i) the Owner or (ii) the person appointed by the Owner to receive payments on the Owner's behalf.

4.3 Any sums paid by cheque will only be credited to the Hirer's account after such cheques have been cleared.

5.0 COMPUTATION AND REVISION OF PAYMENT

5.1 The Owner is entitled at any time and from time to time to change the Base Financing Rate (defined below) by serving a notice of such change to the Hirer. In addition, the notice will be published (i) at the Owner's business address as set out in the Recital of this Agreement, (ii) on the Owner's website, (iii) in a major newspaper or (iv) branches of the Owner, no later than twenty-one (21) days before the effective date of change to the Base Financing Rate.

5.1.1 Where the Base Financing Rate has changed, the Owner will serve a notice to the Hirer specifying:

- (a) the Base Financing Rate;
- (b) the revised rate of terms charges;
- (c) the revised total amount of terms charges; and
- (d) the revised amount of instalments or the revised number of instalments.

- 5.1.2 The Hirer must, within twenty-one (21) days from the date of the notice referred to in Clause 5.1.1 above, notify the Owner in writing of the Hirer's intention to either: -
- (a) retain the existing number of instalments and vary the amount of instalments; or
 - (b) retain the existing amount of instalments and vary the number of instalments;
- and request from the Owner for his revised computation of payments and/or instalments.
- 5.2 If the Hirer fails to notify the Owner of any intention to vary either the number or amount of instalments, then upon the expiry of twenty-one (21) days from the date of the notice stated in Clause 5.1.1 above, the Owner may make the necessary adjustment consequent upon such revision by either retaining the existing number of instalments and varying the amount of instalments; or retaining the existing amount of instalments and varying the number of instalments. The adjustment done by the Owner will be final and will bind the Hirer and/or the guarantor, as if the Hirer and/or the guarantor have given their consent to that effect.
- 5.3 A statement issued by the Owner at any time as to the amount of instalments, the number of instalments, the total amount of terms charges, rate of terms charges and ta'widh will save for manifest errors be final and conclusive for all intents and purposes.
- 5.4 It is expressly agreed that (i) any admission or acknowledgment in writing by the Owner or by any person authorised on behalf of the Owner, or (ii) a certificate in writing stating the indebtedness which is duly certified by an authorised officer of the Owner, will be binding and conclusive evidence against the Hirer and the guarantor for all purposes, including serving as conclusive evidence of the indebtedness in a court of law.
- 5.5 Any variation in the number of instalments or the amount of instalments to be paid by the Hirer under this agreement will become effective on the date specified by the Owner in a written notice issued to the Hirer. Such notice will be served on the Hirer in accordance with the provisions of Clause 20.1 below.
- 5.6 The Hirer agrees that any changes to the rate of terms charges under this agreement will be effective and enforceable against the Hirer upon the Owner giving at least twenty-one (21) days' prior written notice to the Hirer in accordance with the provisions of Clause 20.1 below.

6.0 EXCLUSIONS OF CONDITIONS AND WARRANTIES

- 6.1 If the Goods are second-hand goods and are described as such in Part II of the Schedule, all conditions and warranties as to the quality, fitness or suitability of the Goods are expressly disclaimed. By signing this agreement, the Hirer expressly acknowledges that this statement was brought to his notice before the Hirer signed this Agreement.
- 6.2 If the goods are new and are described as such in Part II of the Schedule, the Hirer confirms that he has examined the Goods prior to the date of this Agreement and where such examination ought to have revealed the Goods are of merchantable quality. The Owner does not give any warranty in respect of the Goods as to description, fitness, roadworthiness (in the case of a motor vehicle), repair or otherwise nor will the Owner be responsible for any delay in delivery. The Hirer agrees that any claim for defects and/or breach of warranty as to description, fitness, roadworthiness (in the case of a motor vehicle), repair or otherwise will be against the manufacturer of the Goods.

7.0 COVENANTS BY HIRER

- 7.1 The Hirer must, for the duration of this Agreement:-
- 7.1.1 keep the Goods in good order, repair and condition, at his/her own cost and expense and to the Owner's satisfaction, and the Hirer must indemnify the Owner against all loss, damage, claims and expenses arising out of any damage to the Goods, no matter how it is caused. If the Goods are damaged in any way, the Hirer must:
 - (a) immediately, before incurring any expense to repair the Goods, notify the Owner of such damage. The Owner will be entitled to repair the Goods, or have the same repaired by a person selected by the Owner, but in either case the repair will be at expense of the Hirer;
 - (b) reimburse the Owner on demand for any costs incurred by the Owner in connection with the repair of the Goods;
 - (c) not create any lien or pledge the Owner's credit for the repair of the Goods or for any other purpose, and the Hirer must notify all relevant persons of this prohibition. If the Hirer creates or attempts to create any lien over the Goods, then the hiring under this Agreement will automatically terminate and the Hirer will no longer be in lawful possession of the Goods with the Owner's consent;
 - 7.1.2 punctually pay all license fees, other fees and taxes. This includes but is not limited to all government taxes that may be imposed, registration fees and all other charges payable in respect of the Goods and their use. If the Hirer does not make such payments, the Owner may (but is not obliged to) make such payments. If the Owner does make such payments, the Hirer must pay the same to the Owner on demand;
 - 7.1.3 comply with and conform to all statutes, rules and regulations, and instructions of the relevant authorities that relate to the Goods or their use. The Hirer must indemnify the Owner against any claims and costs that may arise out of the use, operation, maintenance or keeping of the Goods in any manner whatsoever by the Hirer;
 - 7.1.4 obtain all necessary licenses, permits and permissions for the use of the Goods, and the Hirer must not use the Goods or permit the same to be used in breach of any laws or regulations for the time being in force;
 - 7.1.5 inform the Owner immediately if the Goods are the subject matter of any litigation, legal proceedings, seizure, forfeiture, legal execution, distraint or lien by any person. The Hirer must bear all costs and expenses (including legal costs on a solicitor and client basis) to have the Goods released from such proceedings;
 - 7.1.6 keep the Goods in his/her own possession and not conceal the Goods or alter them or make any identifying number or mark on the Goods;
 - 7.1.7 give notice in writing of any change in the Hirer's address to the Owner. The Hirer agrees not to permanently remove the Goods out of the state in Malaysia or as specified in the Hirer's address given in this Agreement without the written consent of the Owner; and
 - 7.1.8 on request by the Owner, produce the Goods for inspection and testing by the Owner, its agent or servant.

- 7.2 In addition, if the Goods are a motor vehicle the Hirer must NOT for the duration of this Agreement:-
- 7.2.1 change the registration number of the vehicle without the written consent of the Owner;
 - 7.2.2 allow any person to drive the vehicle except any person permitted to drive under the terms of any takaful/insurance policy for the time being in force as required by Clause 8 (*Takaful/Insurance*) of this Agreement;
 - 7.2.3 drive the vehicle out of or allow the vehicle to leave without the written consent of the Owner: -
 - (a) the territory of Peninsular Malaysia, if the Hirer's address is within Peninsular Malaysia;
 - (b) the territory of Sarawak if the Hirer's address is within Sarawak;
 - (c) the territory of Sabah if the Hirer's address is within Sabah;
 - 7.2.4 use or permit the vehicle to be used except where such use is covered by any takaful/insurance policy referred to in Clause 8 below;
 - 7.2.5 use or permit the vehicle to be used contrary to law or in any manner which may cause or result in the vehicle being seized or confiscated. In the event of such use, the hiring under this Agreement will automatically terminate and the Hirer will no longer be in lawful possession of the vehicle with the Owner's consent; or
 - 7.2.6 cause or allow the Owner's endorsement of ownership on the registration card or vehicle ownership certificate for the vehicle to be cancelled.
- 7.3 In addition, where the Goods are consumer goods within the meaning of the Act, the Hirer must :-
- 7.3.1 punctually pay all rents and other outgoings payable in respect of the premises where the Goods are kept from time to time. If the Hirer fails to do so, the hiring under this Agreement will automatically terminate and the Hirer will no longer be in lawful possession of the Goods with the Owner's consent;
 - 7.3.2 produce to the Owner on demand the latest receipts in respect of all rent and other outgoings paid in relation to the premises where the Goods are kept;
 - 7.3.3 at the Owner's request, produce a written acknowledgment from the landlord of the premises on which the Goods are kept, that the Goods are the property of the Owner and that the landlord agrees not to treat the Goods as a fixture or fitting forming a part of such premises; and
 - 7.3.4 take or cause to be taken all necessary steps to prevent title to the Goods from passing to the landlord or any other person.

8.0 TAKAFUL/INSURANCE

- 8.1 Where the Goods do not comprise a motor vehicle, the Owner will, at the expense of the Hirer and for the duration of this Agreement, cover/insure the Goods under an all risk takaful/insurance policy (i) in the Hirer's name and (ii) for the full replacement value of the Goods against fire, accident, theft and such other risks as the Owner may from time to time require, with a licensed takaful/insurance company. The takaful/insurance policy will bear an endorsement of the Owner's interest in the Goods and contain a provision that any monies payable to the Hirer under the policy will be paid to the Owner. All amounts payable in respect of such takaful/insurance will form part of the Hire Purchase Price (as defined below).
- 8.2 Where the Goods comprise a motor vehicle:
- 8.2.1 for the first twelve (12) months of the hiring period, the Owner will, at the expense of the Hirer, cover the vehicle under the Hirer's name under a fully comprehensive takaful/insurance policy to the full replacement value of the vehicle against fire, accident, theft and such other risks as the Owner may from time to time require, with a licensed takaful/insurance company. The takaful/insurance policy will bear an endorsement of the Owner's interest in the vehicle and contain a provision that any monies payable to the Hirer under the policy will be paid to the Owner. All amounts payable in respect of such takaful/insurance will form part of the Hire Purchase Price;
 - 8.2.2 for the remainder of the hiring period immediately following the first twelve (12) months, the Hirer must, at the Hirer's expense, cover/insure the vehicle in the Hirer's name under a fully comprehensive takaful/insurance policy to the full replacement value of the vehicle against fire, accident, theft and such other risks as the Owner may from time to time require with a licensed takaful/insurance company. The takaful/insurance policy must bear an endorsement of the Owner's interest in the vehicle and contain a provision that any monies payable to the Hirer under the policy will be paid to the Owner.
 - 8.2.3 The Hirer may take additional coverage against all available "force majeure" risks. This includes but is not limited to lightning, convulsions of nature (flood, typhoon, hurricane, storm, volcanic eruption, earthquake, landslide, landslip, subsidence, sinking soil etc.), strike, riot, civil commotion, war risks (such as war, invasion, hostilities, act of war, act of terrorism, revolution) and nuclear risks with a licensed takaful/insurance company operating in Malaysia. If the Hirer decides to take up such additional coverage, the Hirer will ensure that (i) such additional takaful/insurance policies will be in the name of the Hirer and (ii) the Owner's interest in the vehicle is endorsed on such takaful/insurance policies. The Hirer will also ensure that any monies payable to the Hirer under the policy will be paid to the Owner. If the Hirer decides not to take up the aforesaid takaful/insurance coverage, and there is loss or damage to the vehicle due to the risk event covered by the aforesaid takaful/insurance, the Hirer agrees to indemnify the Owner for the loss or damage equivalent to the Indemnified Sum (as defined in Clause 10.1), unless the Hirer is able to prove that such loss or damage arose out of risk events not covered by any takaful/insurance company operating in Malaysia.
 - 8.2.4 if the Hirer does not comply with any of the Hirer's obligations under Clause 8.2.2 above, the Owner may (but is not obliged to) cause the vehicle to be covered/insured in the Hirer's name. The Hirer must bear any costs incurred by the Owner in so doing, and the Hirer must pay such costs immediately on demand. The Owner may at its option charge such costs to the Hirer's account;
 - 8.2.5 The Hirer must, not less than fourteen (14) days before the date of expiry of any takaful/insurance policy taken out by the Hirer pursuant to Clause 8.2.2, inform the Owner that the Hirer have either (i) renewed such policy or (ii) taken up a fresh takaful/insurance policy which complies with the requirements of Clause 8.2.2 with another licensed takaful/insurance company.

- 8.3 By this Agreement, the Hirer irrevocably appoints the Owner as the Hirer's agent to:
- (a) compromise and/or recover in the Hirer's or the Owner's name any claim for loss or damage under all takaful/insurance policies in respect of the Goods; and
 - (b) receive all monies payable or paid under such takaful/insurance policies, and to give to the takaful/insurance company a good receipt and discharge for the same.
- 8.4 At the request of the Owner, all takaful/insurance policies in respect of the Goods together with all receipts for contributions payable under such takaful/insurance policies must, during the duration of this Agreement, be delivered into the Owner's custody.
- 8.5 The Hirer must not do or omit to do or permit any act or thing to be done or omitted where this may (i) invalidate or prejudice any takaful/insurance policies over the Goods or (ii) entitle the takaful/insurance company to repudiate their liabilities under such takaful /insurance policies.

9.0 PROHIBITION ON DEALINGS WITH GOODS

- 9.1 The Hirer must NOT:-
- 9.1.1 sell, transfer, dispose of or encumber the Goods or any right, title or interest in the Goods or sub-let or part with the possession of the Goods or attempt, purport or agree to do so. The Hirer must not use or allow the Goods to be used contrary to law or in any manner which might make the Goods liable to seizure, confiscation or forfeiture. If the Hirer breaches this sub-clause, the hiring under this Agreement will automatically terminate and the hirer will no longer be in lawful possession of the goods with the Owner's consent. In such circumstances, the Owner may (but is not obliged to) pay to any third party such sum as is necessary to procure the release of the Goods from any encumbrance and will thereafter be entitled to recover such sum from the Hirer;
 - 9.1.2 assign the Hirer's rights, title and interests under this Agreement without the prior consent in writing of the Owner; or
 - 9.1.3 sell, charge, mortgage, sub-let or otherwise dispose of any land on or building in which the Goods are kept, or attempt, purport or agree to do so without giving to the Owner at least one (1) month's prior notice in writing. The Hirer must in any event ensure that any such sale, mortgage, charge, sub-lease or other disposition (i) does not include the Goods and (ii) is made subject to the Owner's right to repossess the Goods at any time (whether or not the Goods or any part of them have become affixed to such land or building) and for that purpose, to enter upon such land or building and sever the Goods from such land or building.

10.0 LOSS OF AND DAMAGE TO GOODS AND APPLICATION OF TAKAFUL PROCEEDS

- 10.1 The Hirer must indemnify the Owner against loss of or damage to the Goods or any part of the Goods from any cause or by any means. This includes but is not limited to seizure, confiscation or forfeiture, save for any loss of or damage to the Goods arising from *force majeure* events which the Hirer is able to prove were not available for coverage by a licensed takaful/insurance company operating in Malaysia. It is expressly agreed that the Owner's loss ("**Indemnified Sum**") will, for the purpose of this Clause, be a sum equivalent to:
- (a) for hire purchase agreements with a fixed rate of terms charges, the aggregate of (i) the balance originally payable under this Agreement and (ii) any other sums payable by the Hirer under this Agreement, less (i) any amount (other than the Deposit) paid or provided by or on behalf of the Hirer, (ii) statutory *ibra'* for terms charges and (iii) statutory *ibra'* for takaful (if applicable).
 - (b) for hire purchase agreements with a variable rate of terms charges, the aggregate of (i) the outstanding amount financed and term charges accrued and calculated up to the next due date of payment and (ii) any other sums payable by the Hirer under this Agreement, less the statutory *ibra'* for takaful (if applicable).
- 10.2 If any of the Goods are damaged and/or defective during the term of this Agreement not amounting to total loss, all takaful/insurance proceeds will be applied in making good such damage and/or defect. Notwithstanding the above, the Hirer will continue to pay the Owner whatever sums payable under this Agreement pending the Goods being restored.
- 10.3 If any of the Goods are lost, stolen, destroyed or damaged to (i) the point of total loss or (ii) are defective to the extent that the Goods are declared by the relevant authority or by any independent competent body (mutually chosen by the Hirer and the Owner) to be permanently incapable of being used or rectified, this Agreement will be terminated and thereafter, any takaful/insurance proceeds received will be applied by the Owner towards payments of (i) the Indemnified Sum payable to the Owner and (ii) any other sum payable by the Hirer under this Agreement, provided that if the takaful/insurance proceeds paid to the Owner are insufficient for this purpose, the Hirer will bear any such shortfall.
- 10.4 Pending receipt of the takaful/insurance monies in accordance with Clauses 10.2 and 10.3 above, the Hirer will continue to pay to the Owner whatever sums payable by the Hirer to the Owner under this Agreement.

11.0 TA' WIDH (COMPENSATION FEE)

- 11.1 The Hirer must pay to the Owner Ta'widh (Compensation Fee) at the rate of one (1) per centum per annum (both fixed and variable rate term charges) or any other rate determined by the Owner and approved by Bank Negara Malaysia from time to time on any monies payable under this Agreement which may from time to time be overdue from the Hirer.

12.0 EARLY COMPLETION BY THE HIRER

- 12.1 The Hirer may at any time during the term of this Agreement, upon giving fourteen (14) days' prior written notice of the Hirer's intention to do so, complete the purchase of the Goods on or before the day specified for that purpose in the notice, by paying to the Owner a sum equivalent to :-
- (a) for hire purchase agreements with a fixed rate of terms charges, the balance originally payable under the

- agreement, less (i) any amount (other than Deposit) paid or provided by or on behalf of the Hirer; (ii) statutory ibrah' for terms charges; and (iii) statutory ibrah' for takaful/insurance (if applicable).
- (b) for hire purchase agreements with a variable rate of terms charges, the outstanding amount financed and term charges accrued and calculated up to the next due date of payment, less the statutory ibrah' for takaful/insurance (if applicable).
- 12.2 The rights set out in Clause 12.1 may also be exercised by the Hirer :-
- 12.2.1 in the circumstances set out in Section 14(3)(b) of the Act and by paying the Owner within twenty-one (21) days after the Owner has served a notice in the form of the Fifth Schedule to the Act, a sum calculated in accordance with Clause 12.1 together with (i) all costs and expenses incurred by the Owner in taking possession of the Goods (including legal costs of the Owner on a solicitor and client basis) in tracing and/or attempting to take possession of the Goods; and (ii) all storage, repair and maintenance charges incurred by the Owner in respect of the Goods; and accordance with Clause 12.1 together with (i) all costs and expenses incurred by the Owner in taking possession of the Goods (including legal costs of the Owner on a solicitor and client basis) in tracing and/or attempting to take possession of the Goods; and (ii) all storage, repair and maintenance charges incurred by the Owner in respect of the Goods; and
- 12.2.2 in the circumstances set out in Section 14(3)(c) of the Act, where the Hirer has returned the Goods to the Owner, by paying to the Owner the sum calculated in accordance with Clause 12.1 within twenty-one (21) days after the Owner has served a notice in the form of the Fourth Schedule to the Act.

13.0 TERMINATION BY THE HIRER

- 13.1 The Hirer may terminate this Agreement by returning the Goods to the Owner at the Owner's branch address stated in this Agreement or at any of the Owner's branches within Malaysia in accordance with Section 15(1), (2) or (3) of the Act.
- 13.2 If the Hirer terminates this Agreement pursuant to Clause 13.1 above, the Hirer may request that the Owner sells the Goods to any person introduced by the Hirer for cash payable immediately at a price acceptable to the Owner.
- 13.3 Upon the Goods being returned under Clause 13.1 above:-
- 13.3.1 if the value of the Goods at the time of their return to the Owner is more than the balance outstanding under this Agreement, the Hirer is entitled to recover such difference in amount as a debt due;
- 13.3.2 if the value of the Goods at the time of their return to the Owner is less than the balance outstanding under this Agreement, the Owner will be entitled to recover such difference in amount as a debt due.
- 13.4 For purposes of this Clause:-
- 13.4.1 "**balance outstanding under this Agreement**" means:-
- (a) for hire purchase agreements with a fixed rate for terms charges, (i) the total sum payable by the Hirer to complete the goods specified in the agreement and (ii) the unpaid amount derived from profit on overdue instalments, less (i) the amount paid by or on behalf of the Hirer (excluding Deposit); (ii) statutory rebate for term charges and (iii) statutory rebate for takaful/insurance (if applicable).
- (b) for hire purchase agreements with a variable rate for terms charges, the outstanding amount financed and terms charges accrued and calculated up to the next due date of payment, less the statutory rebate for takaful/insurance (if applicable).
- 13.4.2 "**value of the Goods at the time of their return to the Owner**" means (i) the best price that could reasonably be obtained by the Owner, or (ii) if the Hirer had introduced the Owner to a person who bought the Goods for cash pursuant to Clause 13.2 above, the amount paid by such person.

14.0 TERMINATION BY OWNER

- 14.1 Subject to the Owner complying with the provisions of the Act, (in the case of any breach of the provisions of this Agreement relating to the payment of instalments), if:
- (i) the Hirer defaults in payment of any sums due under this Agreement;
- (ii) the Hirer dies;
- (iii) the Hirer is adjudged a bankrupt;
- (iv) the Hirer fails to observe or perform any of the other terms and conditions of this Agreement;
- (v) execution or distress is levied against the Hirer or the Hirer's assets or property;
- (vi) the Hirer is a company, a receiver and/or manager is appointed over any part of the Hirer's assets or property, then the Owner will be entitled to immediate possession of the Goods and may thereafter do the following:-
- 14.1.1 immediately terminate the hiring by written notice sent by post to your address stated in this Agreement or your last known address and allow you to resume possession of the Goods and thereafter if the Owner takes possession of the Goods under Section 16 of the Act, Section 16A to 19 of the Act will apply;
- 14.2 If this Agreement is terminated pursuant Clause 14.1 above, the Owner will be entitled to recover from the Hirer the balance amount outstanding under this Agreement (subject to the Owner complying with the provisions of Sections 14(3)(a), 14(3)(b), 15, 16,16A,17,18 and 19 and 34(b) of the Act, where applicable).
- 14.3 If the Owner is for any reason unable to take possession of the Goods upon the occurrence of any of the events set out in Clause 14.1, the Owner will be entitled at its option, to recover from the Hirer on demand the balance amount outstanding under this Agreement instead of taking possession of the Goods. Upon the Owner taking possession of the Goods however, the Owner will be entitled to sell the Goods by private or by public auction provided that the Owner complies with the provisions of Section 18(4) of the Act.
- 14.4 If the Owner, upon the occurrence of any of the events set out in Clause 14.1 takes steps to resume the possession of the Goods and in consequence incurs any costs and expenses, the Hirer will immediately reimburse the Owner for all such costs and expenses (including legal costs on a solicitor and client basis).

15.0 OPTION TO PURCHASE

- 15.1 This Agreement may not be construed to be a purchase or an agreement for the purchase of the Goods by the Hirer.

If, however the Hirer has (i) performed and observed all of the Hirer's obligations under this Agreement, and (ii) paid to the Owner all sums of money payable by the Hirer to the Owner in the manner set out in this Agreement, the Hirer will have an option to purchase the Goods. Upon the Hirer exercising such option, the hiring will come to an end and the Goods will become the Hirer's property and the Owner will assign and make over all the Owner's rights, benefits and interests in the Goods to the Hirer. Until then, the Goods will remain the absolute property of the Owner and the Hirer will not have any rights or interest in the Goods other than as a bailee.

16.0 EFFECT OF WAIVER OR INDULGENCES

16.1 No waiver by the Owner of any breach by the Hirer of any of the Hirer's obligations under this Agreement will operate as a waiver of or consent to any subsequent breach. No time or other indulgence granted by the Owner will affect its strict rights under this Agreement.

17.0 SET OFF

17.1 The Hirer agrees that if the Hirer's fail to comply with any of the terms of this Agreement, and such default is continuing, the Owner will be entitled to exercise any right of set-off or banker's lien available to it and may apply any deposits (general or special, time or demand, provisional or final) held by the Owner, either in the name of the Hirer or jointly with any other person or persons, irrespective of the stated maturity, if any, (whether in Ringgit or otherwise) towards the amounts owing by the Hirer to the Owner under this Agreement.

17.2 The Hirer further agrees that the Owner may exercise such rights of set-off pursuant to this Agreement by giving at least seven (7) calendar days' notice to the Hirer.

17.3 Prior to exercise of the right of set off, the Owner may place a lien, a notation or an earmark against the deposits upon the Hirer's default and prohibit any transaction on the deposits so long as the default is continuing and the indebtedness under this Agreement remains unpaid.

18.0 ARTICLES LEFT IN GOODS

18.1 The Owner will not be responsible for any property or articles alleged by the Hirer to have been left in any repossessed or returned Goods. If any such property or articles are found in the repossessed or returned Goods, the Hirer must collect such property or articles within one (1) month of the Owner giving to the Hirer notice of the Owner's intention to sell such property or articles. If the Hirer fails to do so, the Owner may sell such property or articles after the expiration of the one (1) month period and the net proceeds of sale will be credited to the Hirer's account. If the Owner is unable to sell such property or articles, the Owner may dispose of such property or articles as it deems fit or destroy them. The Hirer must indemnify the Owner against any claims by any third party that may arise as a result of the sale, disposal or destruction of any such property or articles in which such third party has or claims to have an interest.

19.0 RIGHT TO OUTSOURCE

19.1 The Owner will be entitled to outsource the collection of any or all monies owed by the Hirer to the Owner to a third party debt collection agency by giving the Hirer at least seven (7) days' prior written notice of the Owner's intention to do so.

19.2 The Owner will be entitled to sell the Hirer's non-performing hire-purchase facility to a third party without the Hirer's consent, provided that such sale does not materially and adversely affect the Hirer's rights and interests under such financing. The Owner will notify the Hirer of such sale, within seven (7) calendar days of the Owner obtaining a vesting order from the court.

20.0 SERVICE OF NOTICES

20.1 Any account, demand, notice or other document required or authorised to be given by either of the parties to this Agreement to the other under the Act will be given in the manner prescribed by the Act.

20.2 Any other account, demand, notice, or document required or authorised to be given by the Owner to the Hirer under this Agreement (including any writ or other originating process against the Hirer) will be deemed to have been given if (i) served on the Hirer personally or (ii) sent to the Hirer by prepaid ordinary mail accompanied by a Certificate of Posting or left at the address stated in this Agreement or at the Hirer's usual or last known business or private address. Any such account, demand, notice, writ or originating process sent by post, to the extent permitted by law or regulation, will be conclusively deemed to have been received by the Hirer within seventy-two (72) hours after the date of such posting.

21.0 TELECOMMUNICATION INSTRUCTIONS

21.1 The Owner is irrevocably authorised (but is not obliged) to contact and/or notify the Hirer by ordinary post, hand, courier service, electronic mail, telephone or any other means of communication (including but not limited to short message service ("SMS"), voice recordings, texts and other electronic forms of messages or information) as determined by the Owner by sending such communication to the Hirer's address, e-mail address, mobile phone number, other contact number or particulars on record with the Owner (as applicable). Any notification and/or information sent by the Owner may consist of such information as the Owner deems appropriate and may include (but is not limited to) reminders sent in respect of [*payments due, payment due dates, demand for payment of amounts due and owing to the Owner (if any)*], updates and other information of general interest and/or specific to the Hirer. Such service and/or delivery will be deemed effective:-

- (a) three (3) calendar days after posting, if sent by post;
- (b) at the time of delivery, if delivered by hand or courier;
- (c) at the time the notices are sent by e-mail or other forms of instantaneous communication (including SMS and voice recordings).

Such notification may be sent in Bahasa Malaysia, English or other languages determined by the Owner.

- 21.2 The Hirer is fully responsible for the security and safekeeping of the information that the Hirer receives and must ensure that such notices sent by the Owner are not disclosed to or accessible to any other parties (any such disclosure being referred to in this Agreement as “**disclosure to third parties**”).
- 21.3 The Owner disclaims all liability to the Hirer for any loss or damage (direct, indirect, special or consequential), loss of business or profits or embarrassment arising from or occasioned by any:-
- (i) disclosure to third parties;
 - (ii) malfunction or defect in the transmission of information for any reason;
 - (iii) inaccuracy, incompleteness, delay or non-delivery of any information transmitted or wrongful transmission of any information to any third party;
 - (iv) wrongful, unauthorised or improper access to, use of or interpretation of the information transmitted; and
 - (v) claim for libel or slander arising from the transmission of any information,
- unless they arise from and are caused directly by the Owner’s gross negligence or wilful default.

22.0 CHANGE IN PARTICULARS

- 22.1 The Hirer must give actual notice to the Owner of any change in the Hirer’s address via channels permitted by the Owner in order for such change of address to be effective and binding on the Owner.
- 22.2 If there is any change to the Hirer’s (i) telephone number(s); (ii) e-mail address(es); and/or (iii) other particulars recorded with the Owner, the Hirer must notify the Owner promptly to ensure that all correspondence and/or communications reach the Hirer in a timely manner.

23.0 WHEN INSTRUMENT BINDING ON OWNER

- 23.1 This instrument will not be binding upon the Owner until the Owner has executed:
- (i) (a) its consent in the form of Part II of the Second Schedule to the Act and (b) this Agreement, where negotiations leading to the making of this Agreement were undertaken by the dealer of the Goods with the Hirer;
- OR
- (ii) this Agreement, where negotiations leading to the making of this Agreement were made directly by the Owner with the Hirer,
- and the provisions of this Clause will not be affected or prejudiced by reason of any payment of money by the Hirer or the delivery of the Goods to the Hirer. Any such delivery of the Goods, will, pending execution of the consent referred to in (i) above (if applicable) and this instrument by the Owner, be deemed to be a conditional delivery only.

24.0 PLACE OF CONTRACT

- 24.1 This Agreement will be deemed to have been made in the state in which the Owner's branch address as stated in the Agreement is located and any proceedings in relation to any cause of action arising under this Agreement will be instituted, heard and determined in a court of competent jurisdiction in such state. Such court will possess territorial jurisdiction to hear and determine any such proceedings and the Hirer hereby irrevocably submits to the jurisdiction of such court.

25.0 REFERENCES

- 25.1 In this Agreement, unless the context otherwise requires, the following expressions will have the following meanings:-
- (i) “**Act**” means the Hire Purchase Act 1967 (Revised-1978) as amended by the Hire Purchase (Amendment) Act 2010 and includes all amendments to and re-enactments of such Act;
 - (ii) “**IFSA**” means the Islamic Financial Services Act 2013 and includes all amendments to and re-enactments of such Act;
 - (iii) “**balance originally payable under this Agreement**” means the aggregate of (i) the cash price of the Goods (less the Deposit); (ii) freight charges, if any; (iii) vehicle registration fees, if any; (iv) Takaful Contribution/Insurance Premium; and (v) terms charges;
 - (iv) “**Base Financing Rate**” or “**BFR**” means the minimum profit rate based on the Owner’s cost of funds and other administrative costs;
 - (v) “**Hire Purchase Price**” means the total sum originally payable by the Hirer for the hire of the Goods, and to complete the purchase of the goods, such sum being the aggregate of (i) the cash price of the Goods; (ii) freight charges, if any; (iii) vehicle registration fees, if any; (iv) Takaful Contribution/Insurance Premium; and (v) terms charge subject to any revision of the BFR from time to time;
 - (vi) “**Takaful Contribution/Insurance Premium**” (i) in respect of Goods which are motor vehicles, means the contribution for takaful/premium for insurance of the Goods described in Clause 8 above which are payable for the first twelve (12) months of this Agreement and (ii) in respect of other Goods set out in the First Schedule to the Act, means the contribution for takaful/premium for insurance of such Goods for the duration of this Agreement;
 - (vii) “**Compensation Fee**” means ta’widh on overdue payment as provided for in Clause 11;
 - (viii) “**Ringgit**” or “**RM**” means the legal currency of Malaysia;
 - (ix) Words importing the singular number include the plural number and vice versa;
 - (x) Words importing the masculine gender include the feminine and neuter genders
- 25.2 All words and expressions used in this Agreement, unless expressly defined in this Agreement, have the same meanings as assigned to them in the Act.
- 25.3 All references to Clauses are to clauses in this Agreement and all references to Sections will be to sections in the Act, unless otherwise stated.

26.0 EFFECT OF HEADINGS

26.1 The headings of the Clauses of this Agreement are for reference only, do not form a substantive part of this Agreement and will not affect the interpretation of the contents of this Agreement.

27.0 SCHEDULE

27.1 The Schedule forms an integral part of this Agreement.

28.0 TIME TO BE OF THE ESSENCE

28.1 Time wherever mentioned in this Agreement is of the essence of this Agreement.

29.0 ISLAMIC FINANCIAL SERVICES ACT 2013 (“IFSA”)

29.1 The Hirer expressly represent and undertake to the Owner that the Hirer will not contravene or be in breach of the Applicable Laws and Regulations. The Hirer will immediately notify the Owner in writing if any of the Applicable Laws and Regulations or any of the terms and conditions of this Agreement are not complied with or are discovered to have not been complied with. The Hirer expressly declares and warrants to the Owner that all representations, warranties and statements of fact in this Agreement will remain true and accurate in all respects so long as the Goods remain on hire or any instalments or other sums due remain payable.

For the purpose of this Agreement, the “**Applicable Laws and Regulations**” means, all prevailing laws, regulatory requirements, and terms and conditions or provisions prescribed by or stipulated in the directives or guidelines that are or may from time to time be issued by Bank Negara Malaysia (“**BNM**”), and/or any governmental authority, including but not limited to:

- (i) the provisions of the IFSA and all prevailing BNM guidelines and directives issued (a) in respect of the IFSA and (b) pertaining or applicable to the granting of facilities to persons connected to the Owner; and
- (ii) any financing limits and restrictions that may be imposed upon the Owner from time to time by BNM or any other governmental authority.

30.0 PRIVACY CLAUSE

30.1 The Hirer confirms that the Hirer has read, understood and agreed to be bound by the CIMB Group Privacy Notice (which is available at www.cimb.com.my) and the clauses herein, as may relate to the processing of the Hirer’s personal information. For the avoidance of doubt, the Hirer agrees that the said Privacy Notice shall be deemed to be incorporated by reference into this Agreement.

30.2 In the event that the Hirer provides personal and financial information relating to third parties, including information relating to the Hirer’s next-of-kin and dependents (where the Hirer is an individual) for the purpose of opening or operating the Hirer’s accounts or facilities with the Owner or otherwise subscribing to the Owner’s products and services, the Hirer (a) confirms that the Hirer has obtained their consent or are otherwise entitled to provide this information to the Owner and for the Owner to use it in accordance with this Agreement; (b) agrees to ensure that the personal and financial information of such third parties are accurate; (c) agrees to update the Owner in writing in the event of any material change to such personal and financial information; and (d) agrees that the Owner may terminate this Agreement should such consent be withdrawn by any of such third parties.

30.3 Where the Hirer instructs the Owner to effect any sort of cross-border transaction (including to make or receive payments), the details relevant to the cross-border transaction (including information relating to those involved in the said transaction) may be received from or sent abroad, where it could be accessible (whether directly or indirectly) by overseas regulators and authorities (e.g. the prevention of crime). In instructing the Owner and/or the Owner’s agents to enter into any cross-border transaction on the Hirer’s behalf, the Hirer agrees to such disclosures, both on the Hirer’s behalf and on behalf of the others involved in the said cross-border transaction.

30.4 The Owner may, at any time and from time to time now and/or in the future, carry out the necessary reference checks including but not limited to credit reporting/reference checks with credit reporting/reference agencies (including but not limited to the CCRIS, FIS) and/or any other agencies and/or from any financial institutions to enable the Owner to ascertain the Hirer’s status as the Owner may require to make any decisions, for example when the Owner needs to (a) check details in applications for credit and credit-related services or other facilities; (b) manage credit and credit-related accounts or facilities, including conducting reviews of the Hirer’s portfolios; and/or (c) recover debts. The Hirer will be linked by credit reporting/reference agencies to any other names the Hirer use or have used, and any joint and several applicants. The Hirer agrees that the Owner may also share information about the Hirer and how the Hirer manage the Hirer’s accounts and facilities with relevant credit reporting/reference agencies, and for any of these credit reporting/reference agencies to disclose the Hirer’s credit information to its subscribers for purposes of fraud detection and fraud prevention.

30.5 Even after the Hirer has provided the Owner with any information, the Hirer will have the option to withdraw the consent given earlier. In such instances, the Owner will have the right to refuse to provide or to discontinue the provision of any product, service, accounts and/or facilities that is/are linked with such information with at least three (3) business days’ prior written notice to the Hirer.

30.6 The Owner reserves the right to amend this Clause from time to time at its sole discretion and will provide not less than twenty-one (21) days’ prior written notice to the Hirer and place any such amendments on the Owner’s websites and/or by placing notices at the banking halls or at prominent locations within the Owner’s branches.

30.7 For the purposes of this Clause, the CIMB Group consists of CIMB Group Holdings Berhad and all its related companies as defined in Section 7 of the Companies Act 2016 and jointly controlled companies that provide financial and other regulated services, excluding companies, branches, offices and other forms of presence operating outside Malaysia, and the use of the words “the Owner”, and “the Owner’s” are to be read as references to the CIMB Group.

30.8 This Clause is without prejudice to any other clause in this Agreement which provides for the disclosure of information.

31.0 OWNER'S RIGHT TO ASSIGN AGREEMENT

31.1 The Owner will at its own costs, by giving notice of such assignment to the Hirer be entitled at any time to transfer or assign all or any of the Owner's rights, interests and benefits in or pursuant to this Agreement and/or in the Goods, provided that such assignment does not materially and adversely affect the Hirer's rights and interests under this Agreement.

32.0 SUCCESSORS BOUND

32.1 This Agreement will be binding upon the Hirer's successors-in-title and on the successors-in-title and assigns of the Owner.

33.0 COMPLAINTS UNIT

33.1 The Hirer is entitled at any time to refer any complaint/ dispute arising from this Agreement to the Owner's Complaints Unit at CIMB Islamic Bank Berhad - Customer Resolution Unit (CRU), P.O. Box 10338, GPO Kuala Lumpur, 50710 Wilayah Persekutuan. Tel: 03-6204 7788. E-mail: cru@cimb.com

Signed, sealed and delivered by the parties to this Agreement on the day and the year written above.

Execution By Hand		Execution By Common Seal	
Signature of Witness:	Signature of Hirer:)
		The Common Seal of)
)
.....)
Name:	Name:	Was hereunto affixed in)
NRIC No.:	NRIC No.:	the presence of)
	
		(Director)	(Director/Secretary)

MEMORANDUM OF ACCEPTANCE

CIMB ISLAMIC BANK BHD (Registration No.: 200401032872 (671380-H)) hereby accepts the above offer

Dated thisday of

For and on behalf of CIMB ISLAMIC BANK BHD (Registration No.: 200401032872 (671380-H))

.....
(Authorised Signatory)