

**Main Terms and Conditions
For CIMB Secured Overdraft Facility**

1. INTERPRETATION

Unless otherwise indicated:

- (a) defined words found in these Main Terms and Conditions for CIMB Secured Overdraft Facility (“**Main Terms and Conditions**”) have the same meaning as in the letter of offer to which this Main Terms and Conditions is attached to (“**Letter of Offer**”). The Main Terms and Conditions together with the Letter of Offer are collectively defined as the “**Agreement**”;
- (b) cognates of defined words or terms will have corresponding meanings, and words denoting the singular will include the plural, and *vice versa*; and
- (c) where two or more persons are included in any expression used in this Agreement, such expression will mean all such persons, or each or any of them, as the context requires. All covenants, terms, stipulations, undertakings, certificate, statement, notice, demand or other communications expressed to be made by or on the part of such persons will be considered to be made by and binding upon such persons jointly and severally.

2. CONDITIONS PRECEDENT TO AVAILABILITY OF FACILITY

The following conditions must be satisfied before the Facility will be made available by the Bank for your utilisation:

- (a) all relevant security documents have been executed by you and/or the security provider, perfected and/or registered (where applicable) and returned to the Bank for safekeeping, in addition to all consents and/or acknowledgments granted by the applicable parties to the Bank;
- (b) a current account has been opened and/or maintained with the Bank by you;
- (c) a bankruptcy search has been conducted on you and all security providers and the search results confirm you and such security providers are not bankrupt or insolvent;
- (d) no event of default set out in this Agreement has occurred; and
- (e) there are no material changes to your financial state or condition.

3. SECURITY

3.1. FIXED DEPOSIT/ TERM DEPOSIT AS SECURITY

- (a) You hereby charge all monies now, after this or from time to time standing to the credit of the fixed deposits or term deposits placed with the Bank or CIMB Islamic Bank Berhad (“**FD**”) specified in a collateral confirmation letter (the “**Collateral Confirmation**”) issued by you in favour of the Bank as security for the Facility. If the FD is substituted or exchanged with

another FD, you agree to charge the monies standing to the credit of the substituted FD as specified in a fresh Collateral Confirmation in favour of the Bank as security for the Facility. If the FD is in a third party security provider's name, then you will ensure that the security provider signs the third party memorandum of deposit in form and substance acceptable to the Bank (the "**Third Party Memorandum of Deposit**"), any other security documents and/or other ancillary documents to create a first-ranking charge over the FD in favour of the Bank. The FD will be continuing security for the payment or repayment of the Facility until the Facility is fully settled and cancelled/terminated.

- (b) The Bank may renew the FD together with interest or allow CIMB Islamic Bank Berhad to renew the FD with profit on the maturity dates unless such interest/profit is allowed to be withdrawn in accordance with the terms of the relevant FD placement. The charge on the FD will extend to include all interest or profit accrued over monies standing to the credit of the FD. The Bank may retain the FD until the Facility is fully settled and cancelled/terminated.
- (c) The Bank may exercise its right to set-off the FD against the outstanding balance of the Facility by giving you or the security provider seven (7) days' prior written notice, even if the FD has not matured. During the notice period, the Bank may withhold and/or suspend payment of any monies from the FD (including any interest and/or profit accrued). In exercising its rights and remedies, the Bank will not be liable or responsible for any loss to you or the security provider including loss of interest or profit unless caused directly by the Bank's gross negligence or wilful default. If there is a shortfall, you will remain liable for such shortfall.
- (d) Until all outstanding amounts drawn or utilised under the Facility are satisfied in full, the FD and any interest and/or profit accrued must not be (i) withdrawn, (ii) assigned, (iii) transferred or (iv) have a trust created over it or any rights granted over it in favour of any other party.

3.2. SELECTED STRUCTURED PRODUCTS ISSUED BY CIMB BANK BERHAD OR CIMB INVESTMENT BANK BERHAD / SELECTED FLOATING RATE NEGOTIABLE INSTRUMENTS OF DEPOSIT ("FRNID") ISSUED BY CIMB BANK BERHAD OR CIMB INVESTMENT BANK BERHAD / SELECTED UNIT TRUSTS DISTRIBUTED BY CIMB BANK BERHAD WHERE SUCH UNIT TRUSTS MUST BE SUBSCRIBED AND PURCHASED THROUGH THE BANK AS SECURITY

- (a) You hereby charge the structured products or FRNID issued by the Bank or CIMB Investment Bank Berhad, or unit trusts distributed by the Bank ("**Investments**") specified in the Collateral Confirmation in favour of the Bank as security for the Facility. If the Investments are substituted or exchanged with other Investments, you agree to charge the substituted Investments as specified in a fresh Collateral Confirmation in favour of the Bank as security for the Facility. The Investments will be continuing security for the payment or repayment of the Facility until the Facility is fully settled and cancelled/terminated.
- (b) If the unit trusts are in a third party security provider's name, you will ensure the security provider signs the security and/or other ancillary documents to create a first-ranking charge

over the unit trusts in favour of the Bank. The Bank will only accept structured products or FRNID in your sole name or held jointly with a third party as security for the Facility.

- (c) If the Investments are held jointly with a third party, you will, together with the joint account holder sign a Third Party Memorandum of Deposit or other ancillary documents to create a first-ranking charge over the Investments in favour of the Bank as security for the Facility.
- (d) The Investments charged to the Bank must be fully paid-up and free from all claims and encumbrances by any other party.
- (e) Until all outstanding amounts drawn or utilised under the Facility are satisfied in full, the charge over the Investments will include all interest, coupon payments, dividends, bonus, yield, income, distribution, rights, preferences, options, warrants, sale proceeds/redemption proceeds, dividend reinvestments and/or any other forms of benefits received from or attributable to the Investments.
- (f) You must make payment of all calls, instalments and other payments payable in respect of the Investments and if you do not do so, the Bank may (but is not obliged to) make such payments. All sums paid by the Bank will be debited to the Facility account, and will be subject to interest at the Prevailing Interest Rate specified in the Letter of Offer (both after as well as before judgment) and will be secured by the charge over the Investments and be deemed to form part of the outstanding balance of the Facility.
- (g) You must not take or omit any action that could materially and/or adversely affect or diminish the value of the Investments or that may result in any adverse change to your or the Bank's rights and obligations under or breach the terms of this Agreement.
- (h) The Bank will give you seven (7) days' prior written notice if there is any default in payment or an event of default has occurred or there is a breach of any other term or condition of this Agreement or any Security document. If payment is not made or the breach has not been rectified within seven (7) days from the date of such notice, the Bank may exercise its right to liquidate the Investments or to exercise any other power conferred by law, and following such liquidation, the proceeds will be used to settle the outstanding Facility. In exercising its rights and discretion, the Bank will not be liable or responsible for any loss to you or any security provider unless caused directly by the Bank's gross negligence or wilful default. The Bank may liquidate the Investments on its own or through its appointed agent or any group company under CIMB Group Holdings Berhad, the Bank's ultimate holding company. If there is a shortfall, you will remain liable for such shortfall.
- (i) The Bank will not be liable to you or any security provider for the loss in value or price of the Investments due to (i) the Bank realising the whole or part of the Investments; or (ii) from any exercise or non-exercise by the Bank of any power, authority or discretion vested upon the Bank, except to the extent that it arises from and is caused directly by the Bank's gross negligence or wilful default.

- (j) You agree that any purchaser, fund house or issuer of any of the Investments will not be bound or concerned (as applicable):
- (i) to enquire or ascertain whether the right of the Bank to exercise any of its powers conferred by this Agreement has arisen or not;
 - (ii) with any notice given by the Bank;
 - (iii) with the propriety or regularity of any exercise or purported exercise of such powers; or
 - (iv) with whether the Facility remains outstanding even after the liquidation proceeds of the Investments have been applied.
- (k) Until all outstanding amounts drawn or utilised under the Facility are satisfied in full, the Investments must not be (i) withdrawn, (ii) assigned, (iii) transferred, or (iv) have a trust created, or any rights granted over the Investments in favour of any other party.

You agree that if any Investment has been called in, called back, withdrawn, terminated and/or matured, the Bank will give you written notice of the same and request for your instructions in relation to the crediting of the Investment proceeds and/or the additional or substituted security to be provided to the Bank for the continued grant of the Facility. If you do not respond within the timeline stipulated, you agree that the Bank may utilise such proceeds to settle the outstanding Facility and thereafter terminate and/or cancel the Facility. If there is a shortfall, you remain liable for such shortfall.

3.3. CONTINUING SECURITY

The Security taken by the Bank is expressly intended to be and will be a continuing security for the Facility, even if:

- (a) there is a default in payment on the Facility account(s) for any reason or there is a default in payment on any of your other borrowing/financing account(s) or security provider's borrowing/financing account(s);
- (b) either you or the security provider become bankrupt, pass away, or become mentally incapacitated; and
- (c) there is a winding-up, amalgamation, reconstruction of or other similar proceeding or event that occurs in relation to the Bank or the security provider (if it is a corporate entity).

4. LIENS AND OTHER RIGHTS

- (a) The Bank will have a lien on all of your and/or the security provider's assets (movable and immovable) deposited with, or in the possession, custody or control of the Bank or its nominee, for as long as the Facility is made available for your utilisation.

- (b) Nothing in this Agreement will prejudice or affect any lien to which the Bank is entitled or any other security which the Bank may hold on account of the monies hereby secured. Further, nothing contained in this Agreement will operate to merge, prejudice or affect (i) any bill, note, guarantee, mortgage or other security which the Bank may for the time being have for the Facility or any monies that this Agreement intends to secure, or (ii) any other right or remedy of the Bank under such bill, note, guarantee or other form of security.

5. FEES, CHARGES, COSTS, COMMISSION AND CHANGE OF RATE

- (a) You must pay all fees, charges, costs and commission on the Facility which are charged to the Facility account when incurred. All fees, charges, costs and commission are non-refundable and may be revised or updated by the Bank on its website from time to time.
- (b) The Prevailing Interest Rate, Excess Limit Rate and any other rate may be revised by the Bank from time to time after giving you at least twenty-one (21) days' written notice and will take effect on the date specified in the notice.

6. INTEREST PAYABLE BEFORE AND AFTER COURT JUDGMENT

All sums drawn under the Facility together with accrued interest, fees, charges, costs and commission constitute the entire amount due and are secured under the Facility. This total amount is payable before as well as after court judgment, whether or not a demand for payment has been made by the Bank. Even if our banker-customer relationship has ceased, all the terms in this Agreement will apply to the entire outstanding balance, including capitalised interest. For the purpose of ascertaining whether the Drawing Limit has been exceeded or not, all interest debited and capitalised will be deemed to be interest and not principal.

7. NOTICES AND COMMUNICATION

- (a) Any notice required to be given to the Bank (i) must be in writing; (ii) signed by you; and (iii) effective only on receipt by the Bank, as evidenced by an acknowledgment of the Bank.
- (b) Notices, demands and other communications to you and the security provider will be sent to you and the security provider's last known address or number maintained in the Bank's records and deemed to have been received and served on you and/or the security provider (as applicable):
 - (i) if delivered personally, at the time of delivery or despatch;
 - (ii) if sent by post, on the seventh (7th) day after posting (which may also be by way of insertion into any statement of accounts);
 - (iii) if sent by courier, immediately on acknowledgment on the courier consignment notice;
 - (iv) if sent by any form of instantaneous communication (including e-mail, short message service (SMS), voice recording), immediately; or

- (v) if publication on the Bank's website or any of the Bank's branches, on the day of publication.
- (c) It will be your responsibility to ensure that any notices sent to you via any of the modes stated above are not read or accessed by any third party. The Bank will not be responsible in any manner for any embarrassment caused or for any loss or damage however arising, by the third party reading or accessing such notices.
- (d) You must notify the Bank promptly in writing of any change to your or any security provider's (i) correspondence address; and/or (ii) telephone number(s); and/or (iii) e-mail address(es); and/or (iv) any of your other particulars recorded with the Bank or of your security providers particulars via channels allowed by the Bank, to ensure that all correspondences and/or communications reach you and/or the security provider in a timely manner.

8. PAYMENT

All payments by you in respect of the Facility must be made without set-off, counterclaim, deduction or withholding. If there is any deduction or withholding, you must immediately pay to the Bank an additional amount so that the net amount received by the Bank will be equal to the full amount the Bank should have received without such deduction or withholding.

9. REPRESENTATIONS AND WARRANTIES

By accepting this Agreement, you represent and warrant to the Bank that:

- (a) you have the capacity to execute, deliver and perform the terms of this Agreement;
- (b) neither you nor any security provider are in default of any agreement (whether in relation to payment, performance or otherwise) to which you or any security provider are a party, or by which you or any security provider are bound;
- (c) there is no litigation, arbitration or dispute whether actual, pending or threatened against you or any security provider;
- (d) all financial statements presented by you or your security provider (as applicable) to the Bank present a true and fair view of your or your security provider's financial position;
- (e) there is no adverse change in your financial condition or in your security provider's financial condition, or in the operating environment or management of your business or the business of your security provider which will materially affect your ability or the ability of your security providers to perform either your or his or her or their obligations under this Agreement or under any Security documents;
- (f) this Agreement constitutes your valid and enforceable obligations and will not constitute an event of default or potential event of default under any of your or your security provider's

agreements with a third party; or contravene any law, regulation or order binding on you or the security provider;

- (g) all information provided by you and/or any security provider to the Bank is true, accurate and complete and does not omit any material facts;
- (h) there are no bankruptcy or insolvency proceedings threatened or pending against yourself or any security provider; and neither you nor any security provider is an undischarged bankrupt(s), wound up or insolvent; and
- (i) that all the necessary consents, approvals, licenses, authorisations have been obtained, registrations filed with and payment of duty or tax (including stamp duty) made to the appropriate authorities to ensure the legality, validity, enforceability of the Security documents and the same are in full force and effect.

Each of the above representations and warranties will constitute continuing representations and warranties throughout the term of this Agreement.

10. DISCLOSURE

In addition to the persons set out in Schedule 11 (Permitted Disclosure) of the Financial Services Act 2013, you expressly authorise the Bank to disclose any information relating to the Facility, the Security documents, the security interests created under the Security documents, and/or your affairs or accounts (including your credit standing) to:

- (a) the Bank's agents, service providers, auditors, legal counsel, other professional advisors and to any security provider or party in an agreement which relates to or forms the basis for the security, whether in or outside Malaysia;
- (b) the Credit Bureau established by BNM, Dishonoured Cheques Information System ("DCHEQS") and other relevant authorities to whom the Bank is required to make disclosures or have jurisdiction over the Bank;
- (c) any financial institution with which you have or propose to have dealings;
- (d) any insurance company with whom the Bank may choose to take up insurance in relation to the Facility;
- (e) any registered credit reporting/reference agency including but not limited to CTOS, FIS and any other credit reporting/reference agencies and for any of these credit reporting/reference agencies to disclose your credit information to its subscribers for purposes of fraud detection and fraud prevention;
- (f) to entities within the corporate group of CIMB Group Holdings Berhad, the Bank's ultimate holding company ("**Group Companies**") whether such Group Companies are residing, carrying on business, incorporated or constituted within or outside Malaysia;

- (g) any security provider;
- (h) to any person or entity as required by law or regulation or pursuant to any subpoena or order of court, whether in or outside Malaysia,

for facilitating the business, operations, facilities and services of (including but not limited to credit evaluation, fraud checks, credit reviews, credit monitoring, debt recovery, etc.) as provided by the Bank and/or the Group Companies.

11. PRIVACY CLAUSE

- (a) You hereby confirm that you have read, understood and agreed to be bound by the CIMB Group Privacy Notice (which is available at www.cimbbank.com.my or www.cimbislamic.com) and the clauses herein, as may relate to the processing of your personal information. For the avoidance of doubt, you agree that the said Privacy Notice will be deemed to be incorporated by reference into this Agreement.
- (b) In the event that you provide personal and financial information relating to third parties, including information relating to your next-of-kin and dependents for the purpose of opening or operating your accounts or facilities with the Bank or otherwise subscribing to the Bank's products and services, you (a) confirm that you have obtained their consent or are otherwise entitled to provide this information to the Bank and for the Bank to use it in accordance with this Agreement; (b) agree to ensure that the personal and financial information of such third parties are accurate; (c) agree to update the Bank in writing in the event of any material change to such personal and financial information; and (d) agree that the Bank may terminate this Facility Agreement should such consent be withdrawn by any of such third parties.
- (c) Where you instruct the Bank 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. for the prevention of crime). In instructing the Bank and/or the Bank's agents to enter into any cross-border transaction on your behalf, you agree to such disclosures, both on your own behalf and on behalf of the others involved in the said cross-border transaction.
- (d) The Bank 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 checks with credit reporting/reference agencies (including but not limited to CCRIS, FIS Sdn Bhd) and/or any other agencies and/or from any financial institutions to enable the Bank to ascertain your status as the Bank may require to make any decisions, for example when the Bank 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 your portfolios; and/or (c) recover debts. You will be linked by credit reporting/reference agencies to any other names you use or have used, and any joint and several applicants. You agree that the Bank may also share information about you and how you manage your accounts and facilities with relevant

credit reporting/reference agencies and for any of these credit reporting/reference agencies to disclose your credit information to its subscribers for purposes of fraud detection and fraud prevention.

- (e) Even after you have provided the Bank with any information, you will have the option to withdraw the consent given earlier. In such instances, the Bank 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 3 business days' prior written notice to you.
- (f) The Bank 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 you and place any such amendments on the Bank's websites and/or by placing notices at the banking halls or at prominent locations within the Bank's branches.
- (g) 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 Bank", and "the Bank's" are to be read as references to the CIMB Group.
- (h) This clause will be without prejudice to any other clause in this Agreement which provides for the disclosure of information.

12. STATEMENT BY BANK

Any certificate or statement of account as to the amount due to the Bank which is signed by an officer of the Bank or contained in a document produced by a computer in the ordinary course of its use, will (in the absence of fraud or manifest error), be conclusive evidence that such amount is in fact due and payable.

13. EVENTS OF DEFAULT

You agree that if any of the following events occur, the Bank will be entitled to declare by seven (7) days' written notice to you that (i) all amounts outstanding under the Facility have become immediately due and payable; (ii) the Security will immediately become enforceable; and (iii) the Facility will be cancelled after which no further drawings will be permitted:

- (a) you and/or any security provider fail to pay any part of the amount outstanding under the Facility on demand;
- (b) you and/or any security provider commit any breach or fail to observe or perform any covenant, undertaking or term in this Agreement, or fail to comply with any notice given requiring you and/or the security provider to remedy such breach;

- (c) you and/or the security provider commit a default of any provision of any agreement, or security documents, or both (as the case may be) relating to other accounts or loan/financing facilities granted by the Bank or other parties; or
- (d) a distress or execution is levied upon or issued against any of your or any security provider's property or assets and is not discharged within five (5) days from the date of commencement of such distress or execution;
- (e) if any legal proceedings, suits or actions (civil or criminal) are commenced or threatened against you and/or any security provider;
- (f) if you and/or any security provider:
 - (i) are or become bankrupt, wound-up, insolvent or commit any act of bankruptcy;
 - (ii) are ordered to serve a custodial sentence or die or become of unsound mind;
 - (iii) suspend payment of debts, or admit to or are deemed to be unable to pay any debts as they fall due;
 - (iv) propose to, or enter into any composition or other arrangement (voluntary or otherwise);
 - (v) are placed under judicial management or are the subject of an application for an order of judicial management; or
 - (vi) have a receiver and/or manager, administrator or similar officer appointed over any material part of your or its assets and/or business (as applicable);
 - (vii) have proceedings commenced against you or it in relation to any reconstruction or adjustment of debts under any law, regulation or procedure;
 - (viii) have breached the terms of any court order or judgment or have entered into or propose to enter into any voluntary arrangement with your or its respective creditors;
 - (ix) apply to Court or any other authority to restrain the Bank or other creditors from enforcing any of their rights or securities contained in any guarantee or security document;
 - (x) withdraw or attempt to repudiate any security under any security document or give notice to the Bank of the discontinuance of your or its obligations and liabilities under any security document;
- (g) if you and/or any security provider are affected by a material change in your or its financial condition which is likely to prejudice your or its ability to fulfill your or its obligations under this Agreement or under any Security document;

- (h) if an order is made for compulsory acquisition or requisition of your assets or where applicable, any security provider's assets or any material part of them;
- (i) if the security in favour of the Bank is in jeopardy and/or is not capable of being enforced by the Bank;
- (j) if your name appears on the Dishonoured Cheques Information System blacklist ("DCHEQS");
- (k) if you and/or any security provider fail to operate any account with the Bank in a satisfactory manner;
- (l) if you and/or any security provider (if a sole proprietor or a partner in a partnership) cease or threaten to cease carrying on business;
- (m) if any declaration, representation or warranty made or implied to the Bank is incorrect or misleading as of the date on which it was made;
- (n) if you and/or any security provider have furnished untrue or misleading financial statements and/or other data to the Bank;
- (o) if you and/or any security provider do not provide any additional information or supporting documents in respect of yourself and/or the security provider when requested by the Bank;
- (p) if any other event occurs which could or might adversely affect or prejudice (i) your ability or willingness to comply with any of your obligations or (ii) the ability or willingness of any security provider to comply with any of its obligations under this Agreement or any Security document;
- (q) if due to the enactment of or change in any applicable law, regulation, regulatory requirement (whether or not having the force of law), or in the interpretation or application of the same, the Bank is of the reasonable opinion that it has or will become unlawful for the Bank to perform any of its obligations under this Agreement, or that the Bank would be prohibited or prevented from doing so;
- (r) if you and/or any security provider breach any laws, regulations, orders, ordinance or by-laws and requirements of any competent authority; or
- (s) if you and/or any security provider are or become subject to any Sanctions (as defined below).

Sanctions are any economic sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by (i) the Government of the United States of America, (ii) the United Nations, (iii) the European Union, (iv) the United Kingdom, (v) the Government of Malaysia, or (v) the respective governmental institutions and agencies of any such countries including but not limited to the United Nations Security Council, the Office of Foreign Assets Control of the Department of the Treasury of the United States of America ("OFAC"), the

Department of State of the United States of America, Bank Negara Malaysia and Her Majesty's Treasury.

14. SECURITY FOR PRESENT AND FUTURE INDEBTEDNESS

Your obligations in respect of the Facility will not be satisfied or discharged or released except on payment of not only all monies secured under this Agreement but also all monies owing or payable or due from you and/or any of the security providers to the Bank.

15. RIGHT TO SET-OFF

- (a) The Bank may, without prejudice to any other remedies, at any time and from time to time:
- (i) withhold, combine, consolidate or merge the credit balances in any account (whether investment, current, deposit or of other nature and whether in Ringgit Malaysia or other currency) ("**Aggregate Credit Balance**") held by you at any of the Bank's branches. If any credit balance is in a currency other than Ringgit, the Bank may withhold an amount in that currency which is a reasonable estimate of the equivalent in Ringgit based on its spot rate of exchange on that day to facilitate the withholding, combination, consolidation and merger of such credit balances; and
 - (ii) give you at least seven (7) calendar days' written notice and thereafter debit, transfer and/or set-off the Aggregate Credit Balance against the outstanding amount under the Facility. If any part of the Aggregate Credit Balance is in a currency other than Ringgit, the Bank will convert that credit balance into Ringgit at its spot rate of exchange on that day.
- (b) If there is a shortfall after such transfer and/or set-off, you remain liable for such shortfall.

16. COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

- (a) The Facility is made available to you on condition that the grant or continued grant of the same will not directly or indirectly breach any prevailing laws, by-laws or regulatory requirements, directives or orders issued by BNM and/or any other body having authority or jurisdiction over the Bank or as amended from time to time (the "**Applicable Laws and Regulations**") which includes:
- (i) the Financial Services Act 2013, Guidelines on Credit Transactions and Exposures to Connected Parties and all other guidelines and directives issued by BNM;
 - (ii) any lending limits or restrictions that may be imposed on the Bank from time to time by BNM or any other governmental and/or regulatory authority; and
 - (iii) the Anti-Money Laundering, Anti-Terrorism Financing And Proceeds of Unlawful Activities Act, 2001.

- (b) You must notify the Bank immediately in writing if you become aware of any breach or non-compliance of any of the Applicable Laws and Regulations or the terms and conditions of this Letter of Offer.

17. DISHONoured CHEQUES

Your current account will be closed and/or your right to issue cheques will be suspended if three cheques are returned due to insufficient funds within a 12-month period from the date of the first cheque return, or your name appears on the DCHEQS blacklist. In such a case, the Facility will immediately be terminated and/or cancelled and the Security will be used to settle the outstanding Facility. If there is a shortfall, you remain liable for such shortfall.

18. INTERCHANGE OR SUBSTITUTION OF FACILITY

The Bank may upon reviewing the Facility, after giving you twenty-one (21) days' prior notice and without affecting the Security, grant further facilities, or vary, interchange or substitute the Facility or any part of it with other banking facilities to you (including interchanging or converting the Facility with or to a term loan) in which case the Security will continue to secure such further, interchanged or substituted facilities. To facilitate such variation, interchange or substitution, the Bank retains the right to allocate a new account number, and to transfer and/or consolidate your existing accounts with the Bank to a new account.

19. MODIFICATION AND INDULGENCE

The Bank may, without affecting the rights, powers and remedies conferred upon the Bank under this Agreement:

- (a) vary the terms and/or conditions of this Agreement with at least twenty-one (21) days' prior notice to you for operational expediency, due to a change in any laws and regulations or any other reason; or
- (b) determine the Facility with at least fourteen (14) days' prior written notice to you; or
- (c) grant to you and/or the security provider any indulgence.

No failure, delay or omission on the part of the Bank to exercise any right or power under this Agreement upon any default on your part will (i) impair any such right or power, or (ii) be construed as a waiver or any acquiescence in such default. Further, any action or any acquiescence by the Bank in respect of any default will not affect or impair any of the Bank's rights or powers in respect of any other or subsequent default.

20. INDEPENDENT PAYMENT OBLIGATIONS

You expressly agree and declare that each of your obligations to pay or to repay under any of the provisions of this Agreement constitutes a separate and independent obligation and:

- (a) will give rise to separate and independent causes of action;

- (b) will apply irrespective of any waiver or indulgence granted by the Bank in respect of any other obligation;
- (c) will remain in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of some other obligation; and
- (d) may be relied upon and enforced by the Bank independently of or simultaneously with or without having to:
 - (i) commence any other action under such obligations or under any of the security documents; or
 - (ii) exhaust any remedy; or
 - (iii) set-off, sell or dispose of any assets or Security, or any other property or undertaking which may be provided as security to the Bank from time to time.

21. INCREASED COSTS

You must, after receiving twenty-one (21) days' prior notice from the Bank, pay to the Bank such amount as the Bank may reasonably determine and indemnify the Bank against any cost or increased cost if the Bank determines that the introduction or variation of any law, order, regulation or official directive (whether or not having the force of law) from any relevant authority which taken together with the Bank's obligation under this Agreement:

- (a) has the effect of causing the Bank to incur a cost; or
- (b) increases the cost to the Bank in funding or maintaining its obligations under the Agreement.

22. INDEMNITY

You must indemnify the Bank against any losses, damages and expenses (including but not limited to all legal costs incurred by the Bank on a solicitor client basis) which the Bank may sustain as a consequence of (i) any default in the payment of any amounts payable under the Facility or Agreement, or (ii) your failure or the failure of any security provider to observe any of the terms, stipulations, agreements and provisions in the Agreement or in any Security document. Such losses, damages and expenses will include but are not limited to such amount as the Bank may certify (such certification being accompanied by the basis and calculation of such amount will be conclusive and binding upon you save for any manifest error). Your obligation to indemnify the Bank for all losses, damages and expenses, under this clause will not apply to the extent they arise from and are caused directly by the Bank's gross negligence or wilful default.

23. RIGHT TO OUTSOURCE DEBT COLLECTION AND VISIT

- (a) If any money is due and payable under the Facility, the Bank may appoint an external debt collection agency and will give you at least seven (7) calendar days' prior notice of such appointment.
- (b) If any money is due and payable under the Facility, you agree that the Bank may visit you at your workplace if you do not respond to other means of communication by the Bank or cannot be contacted at any other location.

24. ASSIGNMENT AND TRANSFER

You may not assign or transfer any of your rights, benefits and/or obligations under this Agreement to any person without the Bank's prior written consent. The Bank may, with prior written notice to you, assign its rights, benefits and/or obligations under this Agreement without your consent provided such assignment or transfer does not materially and adversely affect your (i) rights under this Agreement or (ii) the Facility.

25. SEVERABILITY

Any provision of this Agreement that is or becomes invalid, void, illegal or unenforceable will only be ineffective to the extent necessary and will not affect or impair the validity, legality and/or enforceability of the remaining provisions of this Agreement. You agree, upon request by the Bank, to a substitution of any such invalid, void, illegal or unenforceable provision with a valid provision which has as far as possible the same effect.

26. SUCCESSORS BOUND

This Agreement will be binding upon (i) your and/or the security provider's heirs, personal representatives, permitted assigns and successors-in-title, and (ii) the Bank's successors-in-title and assigns.

27. TIME

Time will be of the essence of this Agreement.

28. GOVERNING LAW

This Agreement will be governed by the laws of Malaysia. The parties to this Agreement agree to submit to the exclusive jurisdiction of the Malaysian Courts.