

**PERSONAL FINANCING-i**  
**TERMS & CONDITIONS** (valid as of 7 September 2020)

**1. Governing Laws**

Laws of Malaysia.

**2. Facility**

This is a Personal Financing-i ("PF-i") Facility ("the Facility") for Private Sector, Civil Sector & Pensioner offered by the Bank to the Customer in the manner stated in Clause 5 below.

**3. Purpose**

The Facility is to be utilized for the personal use of the Customer. The Customer acknowledges and agrees that the Facility shall not be utilized for any non-halal goods or services failing which, the Bank has the right to terminate and recall the Facility immediately

**4. Specified Commodity**

Any commodity as determined by the bank which is *halal* and is in compliance with Shariah principles on an "as is where is" basis, without any representations or warranties from the Bank as to the quality, condition, quantity and description and without liability on the part of the Bank for any loss, damage or deterioration.

**5. Mode of Financing**

The Facility is in accordance with Shariah contract of Commodity Murabahah via Tawarruq arrangement and Wakalah where the Customer will appoint the Bank as its sole and exclusive agent to deal with the Specified Commodity as an underlying transaction as agreed.

Upon approval of the Facility, the Bank shall make an offer via issuance of SMS or on-screen approval notification to Customer consists of the Facility Amount, Selling price, tenure, profit rate and the Monthly Payments for his/her acceptance.

The Customer's reply to the Bank's offer via SMS or on-screen approval notification will be construed as follows:

- a) by replying "YES" to the SMS or giving thumb prints during on-screen approval notification which signifies that the Customer accepts the Facility offered and wishes to proceed with the transaction; OR
- b) by replying "NO" to the SMS or clicking "NO" for on-screen approval notification which signifies that the Customer rejects the Facility offered and does not wish to proceed with the transaction.

Note\*: a "YES" signifies Customer's acceptance on the Bank's Offer in which contained in the SMS or Approval Letter that will be sent to Customer all of which will subject to any variations to be informed by Notice from the Bank, and shall constitute a:

- a) debt on Customer whereby the Customer covenants to the Bank to pay the Bank's Selling Price in the amount/rate/tenure/monthly payment as contained in the SMS and/or in the manner as contained in the Approval Letter.
- b) disbursement of the Facility Amount whereby the proceeds from the sales to Broker B will be credited into the Customer's account (subject to any agreed deduction with the Bank) and shall be deemed to be a full disbursement under the Facility.

For non-reply within the same day (during the Bank's business hour) to the SMS sent by the Bank, a follow up SMS will be released daily until 7<sup>th</sup> day after approval to ensure Customer's acceptance or non-acceptance to the offer of Facility. Should there be no response from Customer, application will be cancelled automatically in the system twenty-one (21) days after approval.

Upon approval of the Facility and the Customer's acceptance of the Facility offered, the Bank will then initiate commodity trading with a commodity broker ("Broker A") on immediate payment term for the purchase of a Specified Commodity which is equivalent to the Facility Amount.

Upon the Bank taking delivery of the Specified Commodity from Broker A, the Bank shall issue an offer to sell the Specified Commodity at a marked-up price and on deferred payment basis ("Bank's Sale Price") to the Customer. As per Customer's instruction to appoint the Bank as his/her agent, the Bank on Customer's behalf will accept the offer made and delivery of the Specified Commodity. Thereafter the Bank still acting as Customer's agent shall sell the Specified Commodity to Broker B in the sum equivalent to the Facility amount.

An SMS will be sent or on-screen notification will appear to notify the completion of the trading process of the Specified Commodity and disbursement of the Facility Amount.

**6. Right and Obligation**

The Bank may:

- a) perform any of its duties, obligations and responsibilities through its personnel or agents;
- b) refrain from doing anything which would or might in its opinion be contrary to any law of any jurisdiction or any directive of any agency of any state or otherwise render it liable to any person and may do anything which is in its opinion necessary to comply with any such law or directive;
- c) assume that no Event of Default has occurred unless an officer of the Bank, while active on the account of the Customer, acquires actual knowledge to the contrary;
- d) rely on any communication or document believed by it to be genuine;
- e) rely as to any matter of fact which might reasonably be expected to be within the knowledge of the Customer on a statement by or on behalf of the Customer;
- f) assume that any person notified to it by the Customer as duly authorized to take any action contemplated by this Terms and Conditions remains so authorized until it has received notice to the contrary from the Customer;
- g) vary the terms and conditions in the event that the Customer fails for any reason whatsoever to maintain the accounts with the Bank in a satisfactory manner;
- h) act as it deems fit to assist the Customer in selling the Commodity to the Commodity Broker.

The Customer shall:

- a) be held liable for the sale and purchase contract entered into by the Bank as an agent in accordance with this Terms and Conditions, save and except where such actions, claims, demands, liabilities, losses, damages, costs and expenses arise from the gross negligence, wilful misconduct, will default or fraud of the Agent.
- b) indemnify the Bank on its first demand against all losses, claims, actions, proceedings, damage, costs and expenses whatsoever brought or claimed by any party and/or incurred or sustained by the Bank as a result of the buying and selling of the Commodity under any transaction hereunder as agent of the Customer or a breach by the Customer of any of his/her/their obligations herein. The indemnity given shall survive termination of these Terms and Conditions and any sums payable under it shall not be subject to any deduction whether by way of set off counter claim or otherwise.
- c) authorize and appoint the Bank as his/her sole and exclusive agent (Wakil) and / or authorize the Bank to delegate its rights and duties as such agent herein to any third party under Agency (Wakalah) contract to act on his/her behalf for the commodity trading transactions.

**7. Ceiling Profit Rate**

The Ceiling Profit Rate is: 18.00% p.a.

The Selling Price\* is calculated based on the Ceiling Profit Rate.

Note\*: Selling Price \* consists of Purchase Price + Total Profit Amount

**8. Effective Profit Rate**

PF-i: Base Rate (BR)<+spread or – spread > % p.a based on daily rest.

The monthly payment is calculated based on the Effective Profit Rate.

Subject to Clause 20 below, the Bank will grant Ibra' (rebate) on the difference between the amount of profit based on Effective Profit Rate and Ceiling Profit Rate (if any). The Ibra' will be granted if the Effective Profit Rate is lower than Ceiling Profit Rate.

**9. Profit Calculation Method**

Reducing balance is a method of computing profit portion on the principal balance that reduces the calculated principal payments made.

From the total payment made per transaction, the hierarchy of deduction is in accordance to the following sequences ;

- (i) any related fees (if any),
- (ii) profit portion and,

(iii) principal portion.

#### 10. Disbursement

The Facility shall be available for disbursement upon completion of the financing processes and fulfillment of the conditions precedent as stated herein. The disbursement of the Facility shall be made in lump sum basis pursuant to the sale of the Specified Commodity to the Broker B, and the proceeds shall be deposited directly into the Customer's account (subject to any agreed deduction with the Bank) and shall be deemed to be a full disbursement under the Facility or as authorized by the Customer, the disbursement may be made to the list of payees as per agreed.

Disbursement account:

a) For PF-i for Private Sector / Pensioner:

The Customer shall open and maintain a deposit account with the bank and hereby agree that the disbursement of the Facility shall be made directly into the account.

b) For PF-i for Civil Sector:

The Customer has the option to open and maintain a deposit account with the Bank or may specify his account with other Financial Institutions ("the account") and hereby agree that the disbursement of the Facility shall be made directly into the account.

#### 11. Condition for Disbursement

The Facility shall be available for utilization subject to the Conditions Precedent as stated in Clause 28. If the Customer fails to comply with any of the conditions precedent and the Shariah principles, the Customer shall not be entitled to utilize the Facility whereby the Bank shall be entitled to recall the Facility without any prior notice and the Customer shall reimburse and/or indemnify the Bank for all costs and expenses (including legal costs and expenses) incurred by the Bank in connection with the approval and/or grant of the Facility to the Customer.

#### 12. Pre and Post Disbursement Cancellation

The Bank has the right to cancel the Facility, at any time before or after disbursement, in the event that any breach of Shariah principles are discovered and material omission of facts are not disclosed or wrongly represented that may change the creditworthiness of the Customer and the Customer's ability to perform his/her obligation without assigning any reasons thereto.

#### 13. Debt Consolidation

The Customer hereby agree that any additional fees/costs/charges arising out of the settlement made through the proceeds from the approved financing amount to the respective banks/financial institutions/creditors concerned, shall be borne by Customer.

#### 14. Account

The Customer shall open and maintain a deposit account with the Bank and hereby agree that the disbursement of the Facility shall be made directly into the Account.

The Customer hereby irrevocably and unconditionally authorizes the Bank at any time and from time to time without reference to the Customer and without any obligation whether in law or equity to do so, debit the Account with the Bank for any payment due under or pursuant to the Facility, including payment of the Monthly Payment.

#### 15. Takaful

The Customer shall take up a personal Takaful plan to secure the payment under the Facility either from a Takaful operator listed on the Bank's panel of Takaful operators or from any other legitimate Takaful operator of their choice. However only if the Takaful operator is listed in the Bank's panel the contribution payable shall be deducted from the Facility Amount prior to disbursement of the Facility to the Customer. Note: For customers who opt for Takaful coverage from the Bank's non-panel Takaful operator, customer shall provide proof of coverage on the financing approved. The Customer shall bear the Takaful cost at their own expenses. The Takaful cost shall not be deducted from the Facility Amount.

#### 16. Method Of Payment Of Bank's Selling Price (monthly payment)

Monthly Payments amount shall consist of the principal amount and profit margin. Monthly Payments amount and Monthly Due Date will be notified to the Customer in a manner which shall be determined by the Bank upon disbursement of the Facility.

Monthly Payments and the duration for payment of the Selling Price may vary according to the changes of BR and subsequently the Effective Profit Rate set out in Clause 8 from time to time and

incidental costs charged, provided that the Selling Price shall remain unchanged. Currently, the Bank's BR is at 2.50% per annum. In the event of the said variation, the Bank will give prior notice to the Customer for a period of not less than seven (7) calendar days and they shall become effective on the corresponding date of the subsequent months.

At the absolute discretion of the Bank, a notice of such additions or amendments or variations may be affected by:-

- i. Displaying the same at the premises of the Bank or its branch offices or by mailing the aforesaid notice to the Customer, or
- ii. By sending notice of the same by SMS or electronic mail to the Customer or by posting the notice of the same on RHB PF-i For Private Sector, Civil Sector and Pensioner website, or
- iii. By letter delivered by hand.

For PF-i for Civil Sector:

In the event of customers opted to maintain the same monthly payment when BR is adjusted upward or downward, the final instalment will varies (increase or decrease) of which any excess amount against the normal instalment amount, it must be paid by customer (through salary deduction) OR the bank will refund to customer if the final instalment is lower than the normal monthly instalment, as to offset any differential sum due to the event of changes to BR. The monthly salary deduction will continue after maturity date until the outstanding amount is fully paid.

The first payment to the Bank shall be made in accordance to the specified Monthly Due Date after the proceeds from sales to Broker B, subject to any agreed deduction is deposited into the account of the Customer and the subsequent monthly payments shall be paid on the corresponding date of the subsequent months until the Bank's Sale Price is paid in full.

For PF-i for Civil Sector, the monthly payment shall be made through deduction of salary and only deemed to have been paid upon receipt of payment by the Bank and not when the deduction of salary is being made. Without prejudice to this clause, Customer shall be responsible to directly make payments to the Bank:

- a) Until the salary deduction takes effect; and/or
- b) If salary deducted is not being received by the Bank due to whatever reasons; and/or
- c) If the amount received via the salary deduction is less than the actual monthly payment.

Should there occur any non-payment, insufficient or shortfall in monthly payment for reasons (including but not limited to) of insufficient fund, the Customer shall immediately pay the monthly payment or shortfall amount directly to the Bank, upon notification of the same from the Bank.

In the event of accounts still with outstanding balance at the end of financing tenor due to upward or downward adjustment to the BR, customers are required to make lump sum settlement at the end of financing tenor. If customers are not able to make full settlement in such event, recovery process will be initiated on affected accounts, but with continuous monthly salary deduction.

#### 17. Prepayment

Any payment that exceed Monthly Payment or any prepayment in parts shall be deemed to be advance payment. By default, such amount of advance payment if sufficient to cover the Monthly Payment(s) will extend the schedule due date (monthly due date) to a later date or reduce the principal balance at that time, upon request made by Customer.

#### 18. Early Settlement

Notwithstanding any provision for the payment of the Facility hereinafter contained, the Customer may at any time make early settlement the whole of the Bank's Selling Price subject to rebate ("Ibra"), PROVIDED THAT a written notice of one (1) month prior to the intended date of early settlement is given in advance to the Bank.

#### 19. Compensation (Ta'widh) Payable on the Facility

The Customer shall be liable to pay the Bank compensation as follows:

- 1) for any failure on the Customer's part to pay the payment due under the Facility from the date of first disbursement until the date of maturity of the Facility, the compensation rate that shall be applied is one percent (1%) per annum:

- a) on the overdue installments of the Facility in the case of default of scheduled payments; or
- b) on outstanding balance of the Facility in the case of default causing the Facility to be terminated or brought to court for judgment prior to expiry of the Facility.

*Compensation Charges = Overdue Amount x 1% (Compensation Rate for Late Payment) x (No. of Days Overdue/365)*

- 2) for any failure on the Customer's part to pay any amount overdue and which failure continues beyond the tenor of the Facility or after judgment is obtained (whichever is earlier), at such rate per annum as determined by the Bank from time to time (before as well as after judgment) provided the applicable compensation rate shall not at any time exceed the prevailing Bank Negara Malaysia's Islamic Interbank Money Market Rate on the total outstanding balance of the Facility calculated on daily rest basis; and
- 3) the amount of such compensation shall not be compounded; or by any other method approved by the Shariah Advisory Council of Bank Negara Malaysia.

The compensation that has been declared shall be paid by the Customer after and before the court decision or court order.

## 20. Rebate (Ibra')

- (a) The Bank shall grant rebate ("Ibra") on any amount payable by the Customer in respect of any payment due under the Facility in any of the following situations:
  - i. any early settlement or early redemption by the Customer including prepayment;
  - ii. any settlement of the Facility due to any financing restructuring exercise by the Customer;
  - iii. any settlement by the Customer upon occurrence of the Event of Default;
  - iv. any settlement by the Customer in the event of termination or cancellation of the Facility before the expiry of the Facility period; and
  - v. If the Facility is based on variable rate, on the difference between the Ceiling Profit Rate and Effective Profit Rate when the Effective Profit Rate is lower than the Ceiling Profit Rate.

*Rebate (Ibra') = \*Remaining Unearned Profit – Early Settlement Charges (if any).*

Note\*: Remaining Unearned Profit is equal to unrealized profit at the time of full settlement

- (b) The calculation of rebate (Ibra') shall be made in accordance with any rules, regulations and/ or directives (whether or not having the force of law) required of or imposed upon the Bank from time to time and at any time by Bank Negara Malaysia or any other authority having jurisdiction over the Bank.

The rebate (Ibra') shall only be deemed granted upon receipt of the settlement sum as determined by the Bank.

## 21. Appointment of Collection Agent

The Bank shall have the right to appoint an Agent of its choice to collect all and any sums due to the Bank from Customer under the Facility.

## 22. Fees, Cost and Other Expenses

All charges, legal and professional fees, stamp duties, present and future taxes including but not limited to service charge or Service Tax, withholding or other deductions whatsoever, incidental to the Facility including the Bank's solicitors fees on a solicitor-client basis and/or if any monies hereby granted shall be required to be recovered by any process of law or by the Bank's solicitors shall be borne by the Customer.

For PF-i for Civil Sector, collection fee of 2% will be charged on the Monthly Payment. Hence, the actual total salary deduction amount is higher than the Bank's Monthly Payment.

## 23. Information Disclosure

The Bank shall have the right to disclose and obtain any information relating to the Customer, and/or any person providing security (ies) for the Facility to:

- a) Bank Negara Malaysia, the Central Credit Bureau, Cagamas Berhad and such other authorities as may be authorized by law to obtain such information;
- b) its auditors, legal counsel and other professional advisers;
- c) Companies which are now or in future may be within the RHB Banking Group;
- d) Dishonoured Cheques Information System;
- e) pursuant to any subpoena or other legal provisions or in connection with any legal action suit or proceeding relating to the Facility;
- f) pursuant to any law; and
- g) any potential assignee, participant in the secondary debt market, novatee of the Bank's right in relation to the Customer or other person proposing to enter into any contractual arrangement which requires the disclosure of such information.

## 24. Consent Clause

The Customer hereby consents to, and authorizes RHB Banking Group (which shall include its holding company, its subsidiaries and associated companies), its respective directors, officers, employees and agents to disclose, share and/or verify information or documents pertaining to the Customer's affairs, account(s), facility(ies), directors and/or substantial shareholders to and/or with the following parties including:

- i. any companies within RHB Banking Group, whether within or outside Malaysia for any purpose including, cross-selling, marketing and promotions of products and/or services of the RHB Banking Group;
- ii. any authorities/regulators/parties as may be authorised by law or regulations to obtain such information or by court of law;
- iii. any party(ies) providing security for purposes of facility(ies) granted to the Customer; 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;
- iv. 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 the Customer, wherever applicable;
- v. credit bureaus and/or credit reporting agencies, fraud prevention agencies, debt collection agencies and industry/financial related associations; and
- vi. any potential assignee or other person proposing to enter into any contractual arrangement which requires the disclosure of such information.

## 25. Amendments and/or Additional Terms

- a) The Bank may at any time hereafter at the Customer's request convert and/or vary all or any part of the Facility hereby granted into another facility or facilities and in such an event, the liability or obligations hereunder created shall continue to be valid and binding for all purpose whatsoever up to the Bank's Selling Price notwithstanding such addition or change and subject to such variations as shall be informed by the Bank (whether implied by law or trade usage governing or applicable to the addition or changes).
- b) Notwithstanding any provision to the contrary, the terms and conditions of this financing from time to time, be varied by the Bank and where the variation is material, notice will be given to the Customer, PROVIDED THAT such amendment or variation are subject to and shall be in compliance and in conformity with Shariah principles, and thereupon, the amendments and variations shall be deemed to have been made and shall be read and construed as having formed part of this financing terms and conditions at the time of execution.
- c) In the event of any changes in relation to the employment of the Customer, the Bank reserves the right to vary all or any part of the Facility.

## 26. Notification on Changes in Employment

The Customer shall forthwith inform the Bank of the following changes in Customer's service:

- a) Customer's resignation or retirement from the service with the current Employer ("Employer");
- b) Customer's termination from the service with the Employer; or
- c) If there is any disruption on monthly auto deduction for any reason whatsoever,

Notwithstanding of the above, the Customer hereby undertakes to pay the monthly payments directly to the Bank.

### (1) For PF-i for Civil Sector:

The Customer shall forthwith inform the Bank of the following changes in Customer's service:

- a) Customer's resignation or retirement from the service with the Government of Malaysia ("Government");
- b) Customer's termination from the service with the Government; or
- c) Customer's transfer to another Government's department
- d) Customer's resignation or transfer into new company;
- e) If there is any disruption on monthly auto deduction for any reason whatsoever,

For circumstances (a), (b), (d) and (e) above, for monthly payments previously made via i.Destinas Sdn. Bhd. (IDSB) and/or Biro Perkhidmatan Angkasa, the Customer hereby undertake to pay the monthly payments directly to the Bank.

### (2) For PF-i for Pensioner:

- a) The Customer shall forthwith inform the Bank should the Customer cease to be entitled to the pension for any reasons whatsoever
- b) In such circumstances the Customer undertake to pay the instalment payments directly to the Bank.
- c) Unless due to the negligence or wilful default of the Bank, the Customer shall fully indemnify the Bank from and against any expense, loss, damage or liability which the Bank may incur under or in connection with any claims, demand or action taken by Jabatan Perkhidmatan Awam or Jabatan Hal Ehwal Veteran or any other agencies of the Government of Malaysia in relation to, in connection with or arising from the Facility.

## 27. Representations and Warranties

The Customer hereby represents and warrants to the Bank that:

- a) the Customer has full legal right, authority, power and capacity to accept the Facility and to perform his/her obligations in accordance with the Bank's terms and conditions herein.
- b) the Customer is under the service of, and is permanently employed by, the Employer or;
- c) this terms and conditions herein constitutes the legal, valid and binding obligations enforceable against the Customer in accordance with its respective terms;
- d) all consents, authorizations and approvals which are required or advisable to be obtained in connection with the acceptance, delivery, legality or enforceability of this terms and conditions and the use of the Facility have been obtained and are in full force and effect;
- e) neither the Customer's acceptance and delivery of the Approval Letter with this terms and conditions nor the performance of the terms herein will contravene or constitute a default under any law, regulation, order or decree of any governmental authority, agency or court to which the Customer is subject;
- f) the Customer is not in default under any agreement to which the Customer is a party or by which the Customer may be bound and no litigation, arbitration or administrative proceedings are presently, current or pending or threatened against the Customer;
- g) all information furnished by the Customer to the Bank in connection with the Facility are true and correct and there has been no omission, which would render the information inaccurate or misleading; and
- h) there are no bankruptcy proceedings currently pending or threatened against the Customer.

## 28. Conditions Precedent

The Facility will be made available for the Customer's utilization upon the fulfilment of the following conditions precedent:

- a) the Customer shall have passed the Bank's internal credit evaluation and clearance to the Bank's satisfaction;
- b) all documents which are required herein and/or such other documents as may be required by the Bank and/or its solicitors shall have been executed by the Customer, duly stamped and registered at all relevant authorities as the Bank may deem necessary or expedient;
- c) the Customer shall have paid all fees or charges payable or agreed to be paid by the Customer to the Bank for or in connection with the Facility;
- d) Customer is required to open a deposit account and execute a standing instruction authorizing the Bank to debit Customer's deposit account towards the payment of the Monthly Payments and any other payment due under or pursuant to the Facility (for non-corporate package).
- e) Customer is required to sign an irrevocable letter to the respective Employer as the instruction to deduct monthly salary and remit the same to the Bank as Monthly Payment (for corporate package).
- f) no Event of Default (as stipulated under Clause 30 hereof) or no event which, with the giving of notice or lapse of time or both, would constitute an Event of Default shall have occurred or is continuing to occur;
- g) no extraordinary circumstances or change of law or other governmental action shall have occurred which makes it improbable that the Customer will be able to observe or perform the covenants and obligations herein; and
- h) bankruptcy search results of the Customer from the Director-General of Insolvency's Office are satisfactory to the Bank.
- i) Jabatan Perkhidmatan Awam or Jabatan Hal Ehwal Veteran, as the case may be, shall have credited the Customer's pension payment into the Customer's account maintained with the Bank (for PF-i for Pensioners application).

## 29. Affirmative Covenant

During the tenure of the Facility, the Customer will:

- a) punctually pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, the monthly payment of the Bank's Sale Price and all of his/her indebtedness and other obligations of whatever nature;
- b) simultaneously perform and carry out any and all of his/her obligations under the Facility;
- c) take all steps as may be necessary to ensure that there is no material adverse effect on his/her financial position;
- d) furnish to the Bank all information reasonably required by the Bank in relation to the Customer; and
- e) notify the bank of the occurrence of an Event of Default or any event of default in relation to any of the Customer's other indebtedness.

## 30. Event of Default

The full amount of the Bank's Sale Price and all monies outstanding under the Facility together with compensation thereon (if any) and all other monies relating thereto shall become payable by the Customer upon demand being made by the Bank or upon the occurrence of any of the following events:

- a) the Customer defaults in the monthly payment(s) of the Bank's Sale Price or in the payment of any money payable to the Bank after the same shall have become due whether formally demanded or not;
- b) the Customer defaults under any other provision herein which is not capable of remedy or which, being capable of remedy, is not remedied within fourteen (14) days after being required to do so by the Bank;
- c) any representation, warranty or condition made or implied by the Customer herein is incorrect or misleading in any material respect;
- d) any other event or series of events whether related or not has or have occurred which in the opinion of the Bank (which opinion shall be final and binding) could or might affect or prejudice the Customer's ability or willingness to comply with all or any of the Customer's obligations hereunder;
- e) the Customer commits any act of bankruptcy or becomes bankrupt or shall die or become insane;

- f) any of the documents given to the Bank is or becomes for any reason whatsoever invalid or unenforceable;
- g) if the Bank consider that the Facility or Customer's position in relation to the payment of the Facility to be in jeopardy.

### **31. Bank's Right to Commence Legal Proceeding Concurrently**

Upon default or breach by the Customer of any term, covenant, stipulation and/or undertaking herein provided and on the part of the Customer to be observed and performed, the Bank shall thereafter have the right to exercise all or any of the remedies available whether by this Terms and Conditions, by statute or otherwise and shall be entitled to exercise such remedies concurrently, including pursuing a civil suit to recover all moneys due and owing to the Bank.

### **32. Legal And Incidental Expenses**

The Customer shall pay all legal fees and incidental expenses in connection with the preparation, stamping and registration of any security documents required by the Bank hereunder even though the said documents are not executed by the Customer for any reason whatsoever. If any money payable under the Facility is required to be recovered through any process of law or placed in the hands of solicitors for collection, the Customer shall be liable to pay the Bank's solicitors' fees (on a solicitor and client basis) and any other fees and expenses incurred in respect of such collection.

### **33. Waiver and Indulgence**

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

### **34. Credit Facilities to Connected Parties**

The approval of the to the Customer shall be upon the condition that the Bank will fully comply with any applicable laws, legislations or regulations including, the provisions of Section 57 of Islamic Financial Services Act 2013 (IFSA 2013) read together with Bank Negara Malaysia (BNM)'s Guidelines on Credit Transactions and Exposures with Connected Parties for Islamic Bank and/or of any replacement guidelines/specifications/circulars issued by BNM from time to time in connection therewith.

The Customer hereby declares to the Bank that the Customer is not related to/a guarantor to/in control of/controlled by any of the directors, controlling shareholders, officers, Shariah Committee of the RHB Banking Group and their respective close relatives (spouse and dependents of the spouse, child (including step/adopted child) and spouse of the child, parent and brother or sister and their spouses). None of the directors, controlling shareholders, officers, Shariah Committee of the RHB Banking Group and their respective close relatives is a director, partner, executive officer, agent or guarantor in the Customer's firm/partnership/company/legal entity and/or subsidiaries/entities controlled by the Customer.

The Customer shall at all material times covenant to declare to the RHB Banking Group should any connected party relationship materializes throughout the duration of this Facility. In the event of any undisclosed connected party relationship is established or discovered subsequently, the Bank reserves the right to terminate and recall the Facility immediately.

### **35. Anti-Money Laundering and Anti-Terrorism Financing Proceeds of Unlawful Activities Act 2001 (Act 613)**

During the tenure of the Facility, the Customer will ensure that it has never and would not:

- a) engage, directly or indirectly, in a transaction that involves proceeds of any unlawful activity;
- b) acquire, receive, possess, disguise, transfer, convert, exchange, carry, dispose, use, remove from or bring into Malaysia proceeds of any unlawful activity; or
- c) 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 any unlawful activity.

### **36. Duty to Verify Statements of Accounts/Certificate of Bank**

The Customer shall verify all statements of accounts sent to the Customer by the Bank and within fourteen (14) calendar days revert to the Bank in the event of any discrepancy in such statements of accounts failing which they shall be deemed to be

conclusive and binding against the Customer. A statement by the Bank and signed by any of its officers as to what at any time is the amount outstanding shall, save for manifest errors be final and conclusive and shall not be questioned by the Customer on any account whatsoever.

### **37. Set Off/Combination or Consolidation of Accounts**

The Bank shall, by giving a seven (7) days prior written notice to the Customer, have the right to combine, consolidate or merge all or any of the Customer's accounts and liabilities with and to the RHB Banking Group up to the principal portion only for non-islamic account(s) anywhere whether in or outside Malaysia, whether alone or jointly with any other person and may transfer or set off any sums in credit in such accounts in, or towards satisfaction of any of the Customer's liabilities, whether actual or contingent, primary or collateral, notwithstanding that the credit balances on such accounts and the liabilities on any other accounts may not be expressed in the same currency and the Bank is hereby authorized to effect any necessary conversions at the Bank's own rate of exchange then prevailing.

Without prejudice to the generality of the above, the Bank further reserves the right to debit any of the Customer's accounts (whether in credit or debit) with the Bank for all payments due and payable by the Customer howsoever to the Bank by giving seven (7) days prior written notice to the Customer.

### **38. Suspense Account**

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

### **39. Notices & Service of Legal Process**

#### **A. Notices**

Any notice or communication under or in connection with the Facility shall be in writing and shall be delivered personally, or by prepaid registered or ordinary post, facsimile, electronic mail or short messaging system ("SMS") to the addresses and mobile number given in this Terms and Conditions or at such other addresses/ mobile number as the recipient may have notified to the other party in writing. Proof of posting or dispatch of any notice or communication shall be deemed to be proof of receipt:

- a) in the case of telephone call, when made;
- b) in the case of delivery by hand, when so delivered;
- c) in the case of a letter, after the expiration of three (3) \*Business Days from the date it was posted;
- d) in case of facsimile, at the time the transmission report is received by the sender which purports to confirm that the addressee has received such facsimile;
- e) in the case of electronic mail, at the time when actually sent in readable form; and
- f) in the case of SMS, at the time when sending is successful.

For the avoidance of doubt, the customer authorizes the Bank to rely upon and act on any instruction, notice or communication from the Customer made by telephone, facsimile or SMS to the Bank and the Customer shall indemnify and release and hold the Bank harmless against all actions, suits, proceedings, costs, claims, demands, charges, expenses, losses and liabilities (unless due to gross negligence or wilful default of the Bank) in consequence of, or in any way related to the Bank having relied upon or acted in good faith in accordance with the Customer's telephone, facsimile or SMS instruction, notice or communication had been initiated or transmitted in error, fraudulently altered, misunderstood or distorted in the lines of communication or transmission.

Note\*: "Business Day" means a day which the Bank is open for business.

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

- a) The service of any Legal Process may be given by prepaid registered or ordinary post sent to the respective address of the parties hereto and such Legal Process shall be deemed to have been duly served after the expiration of five (5) days from the date it is posted and if delivered by hand, on the day it was delivered; and
- b) No change in the address for service howsoever brought about shall be effective or binding on either party unless that party has given to the other actual notice of the change of address for service and nothing done in reliance of sub-

section (a) above shall be effected or prejudiced by any subsequent change in the address for service, of which the other party has no actual knowledge of at the time the act or thing was done or carried out.

- c) Legal Process means pleadings, all forms of originating processes, interlocutory applications of whatever nature, affidavits, orders and such documents other than the aforesaid which are required to be given to the other party hereto, notices, under the Companies Act 2016, the Bankruptcy Act 1967 and other Malaysian laws.

#### **40. Under Foreign Exchange Policies:**

41.1 The Bank has the right to suspend my application without the approval letter from BNM if my allowable utilized amount has exceeded the stipulated aggregate threshold per calendar year.

41.2 Resident refers to:

- a) A citizen of Malaysia, excluding a citizen who has obtained permanent resident status in a country or a territory outside Malaysia and is residing outside Malaysia;
- b) A non-citizen of Malaysia who has obtained permanent resident status in Malaysia and is ordinarily residing in Malaysia;
- c) A body corporate incorporated or established, or registered with or approved by any authority, in Malaysia;
- d) An unincorporated body registered with or approved by any authority in Malaysia; or
- e) The Government or any State Government

41.3 Domestic Ringgit borrowing/financing refers to:

Any borrowing/financing in Ringgit obtained by a resident from another resident (including individuals, corporations and financial institutions) in the form of credit facility, financing facility, trade guarantee or guarantee for payment of goods, redeemable preference share, Islamic redeemable preference share, corporate bond or sukuk other than:

- i. Trade credit terms extended by a supplier for all types of good or services;
- ii. Forward contract with a licensed onshore bank excluding a contract that involves the exchanging or swapping of Ringgit or foreign currency debt obligation with another foreign currency debt obligation or the exchanging or swapping of foreign currency debt obligation with a Ringgit debt obligation;
- iii. Performance guarantee or financial guarantee;
- iv. Operational leasing facility;
- v. Factoring facility without recourse;
- vi. A credit facility or financing facility obtained by a resident individual from a resident to purchase one residential property and one vehicle; or
- vii. Credit card and charge card facility obtained by a resident individual from a resident.

Domestic Ringgit borrowing/financing above shall also exclude the borrowing/financing in Ringgit of a resident entity from another resident entity within its group of entities with parent-subsidary relationship.

41.4 In the event there are changes to the circumstances and/or details contained in this declaration and undertaking, I undertake to update the Bank of the changes immediately, failing which the Bank may proceed to take any actions that the Bank deems fit with further notice.

#### **Acceptance of Terms and Conditions for RHB Personal Financing-i**

I hereby certify and confirm that I have read, reviewed and accept the Terms and Conditions as spelt out in the sections above.

Date :

Signature :

Name of Customer :

[Remaining space intentionally left blank]