

TERMS AND CONDITIONS GOVERNING CREDIT BILLS PURCHASED

The following terms and conditions shall govern the Credit Bills Purchased against the Letter of Credit (“LC”):-

1. All documents accompanying any LC which are presented to the Bank for payment, prepayment, purchase, negotiation or discounting must be in full compliance with the terms and conditions stipulated in the relevant LC and/or are authorised by the LC issuing bank to pay, prepay, purchase, negotiate or discount, whichever is applicable.
2. The Bank is entitled to charge any commission, interest rate, charges, fees for each transaction including but not limited to the fees and/or charges charged by other banks-in remitting any payment to the Bank. The financing tenure shall be determined by the Bank.
3. Interest at the rate prescribed by the Bank shall be charged on the LC amount paid, prepaid, purchased, negotiated or discounted, commencing from the date of payment, prepayment, purchase, negotiation or discounting of the LC until the date the Bank receives full payment of the LC amount paid, prepaid, purchased, negotiated or discounted. The payment of the interest charges shall be made to the Bank in any of the following manner: -
 - (a) by way of debiting our current account held with the Bank upon receipt of proceeds from the issuing/reimbursement bank by the Bank; or
 - (b) by way of deduction from the proceeds to be received arising from the payment, prepayment, purchase, negotiation or discounting of the LC upfront.
4. We shall be liable to pay for any taxes or levies which is required by law, regulations, guidelines, decisions or directives issued under such laws (and shall include any amendments made to such laws, regulations, guidelines, decisions or directives) to be paid to any body or authority having jurisdiction over the Bank, in respect of any moneys charged or incurred by the Bank in relation to this application. Any taxes or levies incurred by the Bank in relation to this application shall be borne by and charged to us and in the event the Bank shall effect payment, we shall be liable to reimburse the Bank for such amounts paid.
5. The Bank’s payment, prepayment, purchase, negotiation or discounting of the LC shall be without prejudice to its right of recourse against us including circumstance where there is non-payment by the drawee of the amount due under the LC, regardless whether it is due to discrepancies in documents and the terms and conditions of the LC. We shall be liable to pay to the Bank the amount due under the LC in the currency stated in the LC at the prevailing interest rate as determined by the Bank.
6. The Bank’s agreement to pay, prepay, purchase, negotiate or discount any LCs at any one time pursuant to these terms and conditions shall be at the Bank’s consideration and subject to the LC issuing bank being acceptable to the Bank. The Bank shall be under no obligation to accept any LCs forwarded to the Bank for payment, prepayment, purchase, negotiation or discounting.
7. If we fail to make payment on any amount demanded by the Bank within the stipulated time period, the Bank has the right to charge interest at the rate of 3.5% per annum above the Bank’s Base Lending Rate or such other rates as may be prescribed by the Bank from time to time, to be calculated on monthly rests or such other periodic rests on all monies outstanding and payable to the Bank including all interest, fees commissions and charges not paid when due, from the date of such default until the date of full payment to the Bank, both after as well as before any demand or judgement, and notwithstanding that the banker and customer relationship may have ceased or have been terminated.
8. We represent, warrant, guarantee and assume full responsibility for the genuineness, regularity and validity of the bill of lading and other documents attached to the bill(s) of exchange drawn by us in relation to the LC and the drawee(s) and also the character, quantity, quality and condition of the merchandise mentioned in the bill(s) of lading and/or such other documents.

9. We agree and undertake to be responsible for and to bear all consequences:-
- (a) for the loss or late or non-arrival of part or all of the bill(s) and/or documents in relation to the LC; or
 - (b) for any loss or damage which may happen to any or all of the merchandise whether during its transit by sea, air or land or after its arrival or by reason of the non-insurance or insufficient insurance thereof or by whatever cause; or
 - (c) for the stoppage, or detention of the merchandise by the shipper or any other party;
- engaging ourselves duly to reimburse the Bank with any sum that may be due to you with respect to the acceptance, discounting and purchase of the bill(s) relating to the LC.
10. We also agree that the title to property in the bills(s) and the documents in relation to the bill(s) and the merchandise represented by the bill(s) and the whole of the proceeds in relation to the bill(s) shall be and remain with the Bank until full payment of the bill(s) and of all sums that may be due on the bill(s) and the payment of any and all other indebtedness and liability, now existing or from time to time created or incurred by us to the Bank whether due or not. We hereby authorise the Bank to dispose of the aforementioned property by public or private sale with notice to us whenever the bill(s) from any cause or for any reason whatsoever be dishonoured by non-acceptance or non-payment on the due date or upon occurrence of any of event of defaults as stipulated in any other documents pertaining to the bill(s).
11. We further agree that the bill(s) and accompanying documents, after receipt by the Bank from us on the terms and conditions stated above will be on our responsibility, received and held by the Bank, and forwarded by the Bank for realisation by the Bank's collecting agents at destination of shipment and the bill(s). We hold ourselves fully responsible to the Bank and to the Bank's agents for the due compliance with each requirement, regulation, order or restriction of any governmental or regulatory authority or department or any competent naval or military authority made, given or imposed in connection with the shipment of the merchandise or with the bill(s) of exchange or its negotiation and collection.
12. All costs and expenses (including but not limited to legal costs on a full indemnity basis) in connection with the processing of this application and recovery of monies owing to the Bank pursuant to this application and/or the relevant LC shall be payable by us, on a full indemnity basis, together with interest from the date the costs and expenses are incurred till the date of full payment at such rate as the Bank may determine from time to time.
- 12A. Financial Crime Representations and Warranties
- (a) The Bank shall be entitled to take all actions it considers appropriate in order for it to meet any obligation or requirement, either in Malaysia or elsewhere, in connection with the detection, investigation and prevention of financial crime including fraud, money laundering, terrorism financing, bribery, corruption, or tax evasion or the enforcement of any economic or trade sanction ("Financial Crime").
 - (b) We understand and agree that if any activities, conduct or circumstances we are involved in (directly or indirectly) may expose the Bank to legal or reputational risk, or actual or potential regulatory or enforcement actions, the Bank shall at any time, without giving any reason or notice to us, have the right to immediately:- (i) close all accounts and terminate all services we have with the Bank; (ii) delay, block or refuse the making or clearing of any payment, the processing of instructions or the application for services or the provision of all or part of the services; (iii) terminate and/or recall any or all advances or loans, credit or other financial or banking facilities (committed or uncommitted), accommodation, financial assistance or services and demand repayment of all sums outstanding; or (iv) make reports and take such other actions as the Bank may deem appropriate.
 - (c) We undertake that we will not initiate, engage in or effect a transaction (directly or indirectly) that may involve Financial Crime and agree to hold the Bank harmless, indemnify the Bank and keep the Bank indemnified from and against any and all liabilities, claims, obligations, losses, damages, penalties, actions, judgments, suits, costs (including, but not limited to, legal costs on a full indemnity basis), expenses and disbursements of any kind whatsoever which the Bank may suffer or incur in connection with or arising from any breach by us of this undertaking.
 - (d) We warrant and represent that we and/or any of our affiliates, or to our knowledge, any directors, shareholders, officers, employees, personnel, agents and/or sub-contractors, has not engaged in any activity or conduct or

has not taken any action, directly or indirectly, that would violate any applicable anti-bribery and anti-corruption law including the Malaysian Anti-Corruption Commission Act 2009 (the "MACCA"), the United Kingdom Bribery Act 2010 (the "UK Bribery Act") and the U.S. Foreign Corrupt Practices Act of 1977 (the "FCPA"). We further represent and warrant that we and/or our affiliates, or to our knowledge, any directors, shareholders, officers, employees, personnel, agents and/or sub-contractors, are in compliance with the MACCA, the UK Bribery Act, the FCPA and similar laws, rules or regulations and have in place policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

13. The Bank shall be entitled and is authorised by us at any time and from time to time to debit any of our account with the Bank (including the balance on any overdraft account) with such amount owing to the Bank including but not limited to accrued interest, unpaid principal, outstandings in respect of indemnities, fees, commission, charges, costs and expenses and all other monies due under these terms and conditions. Such debiting shall not be deemed to be a payment of the amount due (except to the extent of any amount in credit in our account) or a waiver of any event of default. If such debiting causes our account to be overdrawn, interest at the applicable default rates shall be payable accordingly.
14. Interest on any principal monies for the time being secured by these terms and conditions including capitalised interest shall at the end of each calendar month or such other periods as the Bank may stipulate be capitalised and added for all purposes to the principal sum then owing. Such amount shall bear interest at the rate prescribed by the Bank and be secured and payable accordingly. All the covenants and conditions contained in or implied by these terms and conditions, and all powers and remedies conferred by law or by these terms and conditions and all rules of law or equity in relation to the said principal sum and interest shall equally apply to such capitalised arrears of interest and to interest on such arrears.
15. These terms and conditions shall continue to be valid and binding notwithstanding any change in our constitution, if a corporation by amalgamation, consolidation, reconstruction or otherwise, and if a firm by retirement, expulsion, death, admission, accession or change of partners or otherwise.
16. The Bank has the right, to combine, consolidate or merge all or any of our accounts and liabilities with and to the Bank, whether singly or jointly with any other person. The Bank also has the right, after giving us seven (7) days' notice, to transfer or set off any sums in credit in such accounts in or towards the satisfaction of any of our liabilities to the Bank, whether actual or contingent, primary or collateral, joint or several. Upon issuance of the notice, the Bank has the right to earmark or to place a hold on any monies standing to the credit of all or any of our accounts with the Bank prior to the setting-off and we shall not be entitled to withdraw the monies without the Bank's prior written consent. If any of our account in credit is maintained in a currency other than the currency of the liabilities, the Bank may convert them into the currency of the liabilities at the Bank's own prevailing rate.
17. No failure to exercise and no delay in exercising on the Bank's part of any right under these terms and conditions shall operate as a waiver of such right, nor shall any single or partial exercise of any right preclude any other or further exercise of the right or any other right. The rights and remedies provided in these terms and conditions are cumulative and are not exclusive of any rights or remedies provided by law.
18. We authorise the Bank (including its officers, employees, agents or any other persons to whom the Bank grants access to our records, correspondence or any material relating to us or our account) to disclose at any time any information relating to us, our account and any of your authorised persons / signatories to the following:-
 - (a) any members of the Bank's Group (being the bank's branches, agencies, representative offices, affiliated, associated or related corporations, and their respective officers, servants or agents, whether situated in or out of Malaysia) for any of the following purposes:-
 - (i) providing us with banking services;
 - (ii) reporting;
 - (iii) data matching;
 - (iv) promoting, improving and furthering the provision of other services by the Bank or any member of the Bank's Group to us;
 - (v) fraud or crime prevention;

- (vi) investigating, preventing or otherwise in relation to money laundering and criminal activities;
 - (vii) debt collection and any legal process initiated by or served on the bank;
 - (viii) outsourcing the Bank's operations;
 - (ix) performance of duties as an officer of the bank or in connection with the conduct of audit or the performance of risk management;
 - (x) facilitating the performance of the function of the Bank or any members of the Bank's Group;
 - (xi) compliance with the Bank's Group's policies, guidelines, directives or requirements; or
 - (xii) corporate exercise;
- (b) any person, whether in Malaysia or elsewhere, who provides electronic or other services to the Bank for the purpose of providing, updating, maintaining and upgrading the said services, including but not limited to investigating discrepancies, errors or claims;
 - (c) to any person, whether in Malaysia or elsewhere, which the Bank engages for the purpose of performing or in connection with the performance of services or operational functions which have been out-sourced;
 - (d) the police or any public officer conducting an investigation in connection with any offence including suspected offences;
 - (e) to other banks, financial institutions, credit bureau or credit reference agents (only for credit information);
 - (f) the Bank's auditors, solicitors, and professional advisors;
 - (g) the Bank's stationery printers, vendors of the computer systems the Bank uses, and to such persons installing and maintaining them and other suppliers of goods or service providers the Bank engages;
 - (h) any receiver the Bank appoints or appointed by any other party;
 - (i) any credit bureau of which the Bank is a member, and any other members and/or compliance committee of such credit bureau;
 - (j) any rating agency, insurer or insurance broker or direct or indirect provider of credit protection;
 - (k) any actual or potential participant or sub-participant in relation to any of the Bank's obligations under the banking agreement between the Bank and us, or assignee, novatee or transferee (or any officer, employee, agent or adviser) of any of them;
 - (l) for transactions effected or processed with or without our authority in or through the automated teller machines of other banks or financial or non-financial institutions or terminals or other card operated machines or devices the Bank approves, to the bank, financial institution or non-financial institution, trader or other party accepting the use of the automated teller machines card and their respective agents or contractors;
 - (m) any court, tribunal or authority, whether governmental or quasi-governmental with jurisdiction over the Bank or any members of the Bank's Group;
 - (n) any person to whom the Bank or any members of the Bank's Group is permitted or required to disclose to under the law of any country;
 - (o) any person intending to settle any monies outstanding under these terms and conditions and any person connected to the enforcement or preservation of any of the Bank's rights under these terms and conditions;
 - (p) the Central Credit Bureau or any other authority or body established by Bank Negara Malaysia or any other authority having jurisdiction over the Bank;
 - (q) any other country, its central bank or investigative authorities in respect of cross border tax fraud or tax evasion for the purpose of compliance with any automatic exchange of financial account information under any multilateral convention on mutual administrative assistance in tax matters;
 - (r) any of our directors.
19. The certification by the Bank on our indebtedness shall be conclusive evidence as to the amount outstanding, due and payable by us and shall be binding on us for all purposes whatsoever including for purposes of any legal proceedings.
20. All sums paid or recovered in respect of our liabilities under these terms and conditions will be applied by the Bank in satisfaction of all charges, fees, interest and/or principal in such proportions and such order of priority as the Bank thinks fit.
21. Where the phrase "we" comprises of two or more persons or parties, the terms and conditions stipulated in these terms and conditions shall be binding on such persons or parties jointly and severally. In the case of a partnership, these terms and conditions shall bind all partners jointly and severally even if there is any change in the name of the firm, retirement or death of any partners or the introduction of any further partner. Any demand for payment made by the Bank to any one or more of the persons so jointly and severally liable shall be deemed to be a demand made to all such persons. The Bank may release or discharge any one or more of such persons from liability under these terms and

conditions or compound with, accept compositions from or make any other arrangements with any one or more of such persons without releasing or affecting the Bank's rights and remedies against any such other persons.

22. Any terms or provisions in these terms and conditions which is illegal, void, prohibited or unenforceable in any jurisdiction shall as to such jurisdiction be ineffective to the extent of such illegality, voidness, prohibition or unenforceability without invalidating the remaining provisions in these terms and conditions. Any such illegality, voidness, prohibition or unenforceability in any jurisdiction shall not invalidate or render illegal, void or unenforceable any such provision in any other jurisdiction.
23. The Bank can revise the commission, interest rate, fees and charges from time to time. However, any changes to fees and charges can be made by the Bank at any time, subject to the Bank giving us advance notice of 21 days.
24. The Bank may add, alter, vary and modify any or all of these terms and conditions at any time by providing prior notice to us.
25. The Bank may send notices and communication to us in any of the following manner:-
 - (a) by post to the last known address notified by us to the Bank; or
 - (b) by electronic transmission (such as facsimile, mobile phones, the internet or electronic mails); or
 - (c) by posting at any of the branches of the Bank or the Bank's website.
26. The notices and communications from the Bank are deemed to have been received by us:-
 - (a) if sent by post, two days after the date it is posted;
 - (b) if sent by electronic transmission, immediately upon transmission;
 - (c) if posted at any of the branches of the Bank or the Bank's website, at the time of posting.

We will notify the Bank in writing immediately on any change in our address, facsimile number, electronic mail address or mobile phone number.

If the Bank is not in receipt from us of any written notice of any change in our address, facsimile number, electronic mail address or mobile phone number, we agree that the Bank may rely on any address and/or contact information stated in the Documentary Collection and/or Negotiation Form or as reflected in the Bank's records.

27. If the Bank becomes wholly or partly unable to observe or perform the terms of this document because of causes beyond the Bank's reasonable control, including equipment, system or transmission link malfunctions, failure or sabotage, fire, flood, explosion, acts of elements, acts of God, accidents, epidemics, strikes, lockouts, power blackouts or failure, labour disputes, acts, demands or requirements of any Government or regulator or competent jurisdiction, or by any other causes which the Bank cannot reasonably be expected to avoid, the performance of the Bank's obligations affected by such causes will be excused as long as such causes continue. The Bank will not be liable for any delay, loss, damage or inconvenience because of any of the abovementioned causes.
28. The Bank and the Bank's Group can act in any way they see fit, without consulting us beforehand, if they are served with a court order issued by a court of any jurisdiction. We agree that we will not hold the Bank liable for any loss or damage in connection with their actions.
29. These terms and conditions shall be binding on us and our successors in title and shall enure to the benefit of you, your successors in title and assigns.
30. The Bank may at any time assign all or any part of the Bank's rights, interests and obligations in these terms and conditions and/or transfer the benefit under these terms and conditions to any person or corporation. We may not assign or transfer all or part of our rights and obligations under these terms and conditions without the Bank's prior written consent.
31. These Terms and Conditions shall be governed by and interpreted in accordance with the laws of Malaysia and we irrevocably submit to the non-exclusive jurisdiction of the Courts of Malaysia. We irrevocably waive any objections on the ground of venue or forum non conveniens or any similar grounds.

32. The Bank shall have the right to revise these terms and conditions at any time by providing 21 days prior notice to us.
33. "We / Us / Our / Ourselves" means and refers to the applicant stated in the Documentary Collection and/or Negotiation Form.