

## TERMS AND CONDITIONS

1. In consideration of your investigating my suitability as a Hirer, I agree that this offer shall be irrevocable for twenty-one (21) days. The signing by you of the Memorandum of Acceptance hereon shall of itself constitute a binding acceptance of my offer. No prior act of yours nor the delivery of the Goods hereunder (hereinafter called "the Goods") or any part thereof to me or the receipt from me of any moneys shall be deemed to be an acceptance and if you acquire the Goods (in or over which I have no present proprietary or contractual right as I hereby warrant) they shall be your absolute property and you shall be under no obligation to hire or dispose of them to me and until the signing of the said Memorandum you shall have a complete discretion as to whether you wish to accept this offer. On your acceptance the hiring shall be deemed to have commenced on the date appearing overleaf.
2. I agree
  - (a) to pay the deposit (which includes deposit in any forms other than cash) stated in item (ii) Part III of the Schedule;
  - (b) to pay punctually and without previous demand the monthly instalments specified in Part IV of the Schedule or such revised monthly instalments as computed in accordance with Clause 3 hereof (hereinafter called "Instalments") and all other payments hereunder which is permitted by the Hire Purchase Act 1967 (hereinafter referred to as "the Act") or the current prevailing legislation notwithstanding any defects, breakdown, loss (including total loss) of or damage to the Goods or for any reason whatsoever I shall not have the possession, control or use of the Goods;
  - (c) that any sums payable under this Agreement to you by post shall be at my risk, and shall be free of exchange charges. Payment by cheque of any sums payable under this Agreement shall only be credited to my account after clearance of such cheques by your bankers;
  - (d) to allow you to appropriate at your discretion any monies paid by me in satisfaction or part satisfaction of any payment, debt or liability arising under this Agreement and/or any agreement supplemental to this Agreement unless prohibited by the Act;
  - (e) for and on your behalf, to keep the Goods in good order repair and condition. I shall indemnify you on demand against all loss (including total loss), damage, claims and expenses arising out of any damage to the Goods however caused and/or any repair or replacement thereof. All repairs and replacement to the Goods arising from any cause whatsoever shall be carried out by a person approved in writing by you and at my expense Provided Always that I shall be prohibited from creating any lien or pledging your credit for the repair of the Goods or for any other purpose whatsoever;
  - (f) to punctually pay all licenses, fees, taxes, registration fees and all other outgoings payable in respect of the Goods or the use thereof;
  - (g) not to part with the possession nor to lend, sell, let, charge or in any way deal with or dispose of or attempt to dispose of the Goods;
  - (h) to notify you in writing by registered post immediately of any change in my address and not to remove the Goods from such address without your prior written consent;
  - (i) to comply with and conform to all laws, by-laws, statutes, rules and regulations and instruction of the relevant authorities in connection with the Goods or the use thereof and to indemnify you on demand against any claims and costs whatsoever arising out of the use, operation or keeping of the Goods or in any manner relating thereto;
  - (j) to inform you in writing by registered post immediately if the Goods are the subject matter of any litigation, legal proceedings, seizure, forfeiture, legal execution, distraint or lien by any person and to bear all cost and expenses (including legal costs on a solicitor and client basis) to have the Goods released therefrom;
  - (k) on your request, to produce the Goods for inspection and test by you, your agent or servant and to give them reasonable and proper facilities to enable them to do so;
  - (l) not to make any additions or alterations to the Goods nor affix or install any accessories, equipment or devices thereon or thereto without your written consent and if the same shall be affixed to or installed upon or in the Goods whether with or without your consent, they shall be deemed to be part of the Goods and be subject to all the terms and conditions of this Agreement. I shall maintain on the Goods any insignia identification or maker's marks or plates as required by you and shall not remove, alter, erase or deface or otherwise interfere with the same;
  - (m) for and on your behalf, to examine the order and condition of the Goods in every aspect and obtain delivery of the Goods;
  - (n) to notify you immediately in the event the Goods is lost, damaged or forfeited and indemnify you against the same whereby your loss (including total loss) shall for the purpose of this sum be as if I had elected to exercise my right of early completion at the date of such loss/destruction under Section 14 of the Act;
  - (o) that if the Goods are a motor vehicle, I shall NOT change the registration centre of the vehicle without your previous consent in writing, nor allow any person to drive the vehicle or use or permit the use of the vehicle except pursuant to the takaful certificate/insurance policy for the time being in force nor drive the vehicle out of or allow the vehicle to leave:- (i) the territory of West Malaysia, if my address is within West Malaysia; and (ii) the territory of East Malaysia, if my address is within East Malaysia, nor cause or allow your endorsement of ownership on the registration card for the vehicle to be cancelled;
  - (p) that if the Goods are consumer goods, to punctually pay all rents and other outgoing payable in respect of the place where the Goods are kept in order to keep the Goods free from distress or other forms of execution proceedings levied which may affect your rights of ownership on the Goods;
  - (q) to punctually pay all license fees, taxes, registration fees and all other charges payable in respect of the Goods and its use failing which you shall be at liberty, but shall not be bound, to make such payments and if such payments shall be made by you, I shall reimburse the same to you on demand;
  - (r) Notwithstanding any other provisions hereof, I agree covenant and undertake that in the event the Instalments or any other monies payable hereunder shall for any reason whatsoever be not paid to you on the stipulated date thereof, I shall pay to you compensation charges as calculated in the manner approved by the Shariah Advisory Council of Bank Negara Malaysia ("BNM"):
    - (i) During the tenure of the Agreement - one per centum (1%) per annum or such other rates approved by BNM on the overdue Instalments;
    - (ii) Upon termination of the Agreement - one per centum (1%) per annum or such other rates approved by BNM on the outstanding balance (outstanding amount financed and accrued mark-up);
    - (iii) After the expiry of the Agreement - the BNM's prevailing daily overnight Islamic Interbank Money Market ("IIMM") rate or such other rates approved by BNM on the outstanding balance (outstanding amount financed and accrued mark-up);
    - (iv) Post Judgment - the BNM's prevailing daily overnight IIMM rate or such other rates approved by BNM on the basic judgment sum.The compensation amount shall not be compounded and the reference rate for the actual loss shall be determined at the point of default, computed on a daily basis from the payment due date.
- \*3. (a) Subject to Clause 2 hereinabove, you may at your sole discretion grant rebate to me on the Balance Originally Payable under Part III of the Schedule under the principle of Ibra' at any particular interval as shall be determined by you in the event that the Effective Profit Rate ("EPR") prevailing at a particular interval is lower than the Contracted Profit Rate ("CPR"). In the event the total mark-up calculated based on the CPR shall exceed the total mark-up earned based on the EPR prevailing from time to time during the Duration of Payment under Part IV of the Schedule, the excess will be granted as a rebate on the Balance Originally Payable upon expiry of the said Duration of Payment provided that the granting of rebate shall not in any way affect the obligation of me to pay the Balance Originally Payable. The amount of the Instalment payable is computed based on the EPR.
- (b) In the event of any change in the EPR prevailing at any particular interval, I shall within seven (7) days from the date of notice stated in Clause 17 notify you in writing of my intention to whether
  - (i) retain the existing number of instalments and vary the amount of instalments; or
  - (ii) retain the existing amount of instalments and vary the number of instalments; and request from you for a revised computation of payment and/or instalments.
- (c) If I fail to notify you of the above intention hereof then upon the expiry of seven (7) days from the date of notice stated in Clause 17, you may, at your absolute discretion, make the necessary adjustment consequent upon such revision by retaining the existing amount of instalments and varying the number of instalments and I shall be deemed to have opted and consented to the same.
- (d) A statement issued by you and signed by any of your officers as to what at any time is the amount of instalments, the number of instalments, total amount of mark-up and rate of mark-up chargeable shall, save for manifest errors, be final and conclusive and shall not be questioned on any account whatsoever.
- (e) It is hereby agreed that any admission or acknowledgement in writing by you or by any person authorised on your behalf or a certificate in writing showing my Indebtedness which is duly certified by your authorised officer shall be binding and conclusive evidence against me for whatever purpose including as being conclusive evidence of my Indebtedness in a Court of law.
- (f) Notwithstanding the obligations of me relating to the payments and duration referred to in Part III and Part IV of the Schedule, you may, upon my request and at your option, revise the amount or period of payment thereof as you shall determine.

4. If the Goods are a motor vehicle, I further agree for and on your behalf and at my expense to cause the Goods to be covered/insured with a reputable takaful operator/insurer under a comprehensive takaful/insurance protection bearing an endorsement recording your interest in the Goods stating that no payment is to be made to me under that certificate/policy until that interest has been discharged be it against fire, accident, theft, riot and any other risks (including force majeure events described in Clause 7) which you may from time to time specify for the second and subsequent years of this Agreement and thereafter so long as any sums payable under this Agreement shall remain outstanding. Should I fail or neglect to effect the takaful/insurance protection as required, you shall have the liberty but not the duty to do the same wherein I shall be liable to reimburse you on demand any sum expended by you in doing the same.
5. I shall not change the takaful operator/insurer without your prior written consent and shall punctually pay all takaful contributions/insurance premiums payable and will not do anything which may prejudice at any time any takaful/insurance protection on the Goods.
6. I hereby irrevocably appoint you as my agent to recover and/or compromise in my or your name any claims for loss (including total loss) or damage under all takaful/insurance protection in respect of the Goods and to receive all monies payable thereunder and to give the takaful operator/insurer a good receipt and discharge for the same and such takaful/insurance monies shall be credited to my account with you in or towards satisfaction of the amount due to you under this Agreement whereby I shall be liable to pay any sum that shall still remain due under this Agreement.
7. I understand and agree that in the event where the protection for damage in respect of the Goods caused by force majeure is beyond the available takaful/insurance protection offered in the market, you shall be responsible for the damage provided that I shall provide you proof against my negligence in such event where the damage is caused by force majeure. In the absence of proof that there was no negligence on my part (such as police report, announcement by relevant authority, newspaper report or witness testimony), you shall not be responsible or liable for the damage. For the purpose of this Clause, force majeure shall mean any reason beyond my or your reasonable control including but not limited to an event that prevents either party from performing their obligations in relation to this Agreement, earthquakes, cyclones, floods, lightning, hurricanes, any other natural calamities, war (declared or undeclared), invasions, act of a foreign enemy, hostilities between nations, act of terrorism, strikes, civil insurrection or military usurped power, nuclear contamination, embargo, confiscation by government or any factor in a nature of force majeure.
8. I hereby declare that as from the date of this Agreement and upon the delivery of the Goods, I shall hold the Goods as a bare trustee/bailee for and on your behalf in relation to the Goods owned by you under this Agreement representing your beneficial ownership in the Goods for the purpose of facilitating the financing procedure of Al-IjarahThumma Al-Bai' ("AITAB"). I may elect to become the owner of the Goods by paying the outstanding amount financed and mark-up accrued and calculated up to the next due date of payment including administration charges and all other sums payable by me under this Agreement. Upon such full settlement, this declaration of trust will ipso facto be at end and the declaration of trust will then be revoked.
9. I hereby undertake to immediately purchase the Goods upon the payment of the final instalment, which comprise RM1 as the sale price.
10. I may at any time terminate this Agreement by returning the Goods to you together with all necessary licenses, registration books or certificates, takaful certificate/insurance policy (hereinafter called "the Documents") in accordance with Section 15 of the Act and to pay you an amount equal to that referred to in Section 15(5) and 15(6) of the Act.
11. In the case of any breach of the provisions of this Agreement relating to the payment of instalments, or if I shall default in payment of any other sums due under this Agreement or if I shall fail to observe or perform any of the other terms and conditions of this Agreement or any cheque given by me as or as part of the Deposit is dishonoured or any Goods sold by me as or as part of the Deposit to you or the dealer are found not to be my absolute unencumbered property or execution or distress is levied against me or my assets or property, or if I being a company, receiver and/or manager is appointed over any part of my assets or property, then and in any of the said events, I shall deliver up possession of the Goods including the Documents to you at your address specified herein or at any other address as notified by you and without prejudice to the rights and claims which you may have against me, you shall be entitled to immediate possession of the Goods and you as the Owner may resume possession of the Goods including the Documents and thereafter if you have taken possession of the Goods under Section 16 of the Act, Sections 16A to 19 of the Act shall apply.
12. In the event of my demise, you shall be entitled to exercise any power to take possession of the Goods comprised in this Agreement if there has been four (4) successive defaults of payments of all sums due under this Agreement, in accordance with Section 16 (1C) of the Act.
13. Any costs and expenses which you may incur in ascertaining the whereabouts or the recovery of the possession of the Goods or in generally enforcing the Agreement (including legal costs on a solicitor and client basis) shall be payable by me to you on demand. And if you retake possession under Clause 10 and Clause 11 here of I shall pay to you such sums as are payable under the Act but if you are unable for any reason whatsoever to repossess the Goods you shall be entitled instead to recover on demand from me the aggregate of the total unpaid balance of the rent instalments, compensation charges and any other sums due and payable under this Agreement.
14. For the purpose of recovery of the Indebtedness under this Agreement and/or taking possession of the Goods, you, your servants, representatives and agents shall be entitled to enter upon the premises occupied by or in my possession in which the Goods may be found.
15. No waiver by you of any breach by me shall be deemed as a waiver of any continuing or recurring breach. No forbearance, delay, time or other indulgence granted by you shall affect your strict rights under this Agreement.
16. In the event of the Goods being repossessed or returned, you shall not be responsible or liable for any property or article alleged to have been left in the Goods by me. And unless such property or article found in the Goods is collected by me within one (1) month from the date of the notice sent or delivered by you to me, you shall be at liberty to sell the said property or article and the net proceeds whereof will be credited to my account but in the event you are unable to sell the said property or article within a reasonable period you may dispose of the same in any manner as you deem fit. I shall indemnify you against any claims by any third party to any articles so sold, disposed of or destroyed in which such third party has or claims an interest.
17. (a) Any account, demand or notice required or authorised to be given by either of the parties hereto to the other under the Act as well as any other account, demand or notice required or authorised to be given by you to me including any Writ of Summons or other originating process against me shall be deemed to have been given if served on me personally or sent to me by post or left at the address post or left at the address stated in this Agreement or at my usual or last known business or private address. Any such account, demand, notice, Writ of Summons or originating process sent by post shall be conclusively deemed to have been received by me at the time of such posting despite any evidence to the contrary. Provided always that you shall only be deemed to have been notified of the change of my address if you have actually received the notice in writing of such change sent by me.  
 (b) \*Notwithstanding the provisions relating to the rate of mark-up as hereinbefore provided, you shall be entitled at any time and from time to time to revise at your discretion the Islamic Financing Rate ("IFR") by giving notice of the change of the IFR. \*Provided always that the effective date of the change of the IFR imposed shall be the date specified in the notice. Notwithstanding anything hereinbefore contained, any delay or failure on your part to give notice in accordance with the provision herein contained shall not absolve me from my obligation to pay the instalments determined by you.
18. (a) In this Agreement, where the context so admits words importing the masculine gender only also include the feminine and words importing the singular number also include the plural number and vice versa and where there are two or more persons included in the expression "the Hirer" they shall be deemed to be jointly and severally liable under the terms of this Agreement;  
 \*(b) The expression "Contracted Profit Rate or CPR" shall mean the profit rate jointly and severally liable under the terms of the Agreement;  
 \*(c) The expression "Effective Profit Rate or EPR" shall mean the effective profit rate comprising of the Variance and the IFR and where applicable, may be crystallised and fixed by you at any particular intervals of the purpose of determining the amount of Instalments payable during the Duration of Payment;  
 \*(d) The expression "Islamic Financing Rate or IFR" shall mean the IFR representing your cost of financing as may be determined by you from time to time and is benchmarked against your published recognised cost of funds that may be approved by BNM or other appropriate authorities;  
 \*(e) The expression "Variance" shall mean the profit rate forming part of the EPR;  
 (f) Notwithstanding the provisions of Section 15 of the Civil Law Act 1956 (or any modifications thereto) or the occurrence of events which may cause the non-performance or the non-completion of this Agreement of which otherwise may render this Agreement impossible to perform for any reason whatsoever, I agree that I shall continue to be bound by the provisions of this Agreement.
19. I understand and agree that:  
 (a) The fees and all other monies to be paid by me to you under this Agreement, including any amount representing reimbursements to be paid by me to you, is exclusive of any Tax, and shall be paid without any set-off, restriction or condition and without any deduction for or on account of any counterclaim or any deduction or withholding.  
 (b) In the event I am required by law to make any deduction or withholding from the fees and/or all other monies payable to you under this Agreement in respect of any Tax or otherwise, the sum payable by me in respect of which the deduction or withholding is required shall be increased so that the net fees and/or the net amount of monies received by you is equal to that which you would otherwise have received had no deduction or withholding been required or made.

- (c) I shall in addition to the fees and all other monies payable, pay to you all applicable Tax at the relevant prevailing rate and/or such amount as is determined by you to cover any Tax payments/liabilities/obligations in connection therewith, without any set-off, restriction or condition and without any deduction for or on account of any counterclaim or any deduction or withholding, apart from any Taxes which may be required under any laws to be paid by me directly to any Appropriate Authority, which I shall remit directly to the Appropriate Authority .
- (d) If at any time an adjustment is made or required to be made between you and the relevant taxing authority on account of any amount paid as Tax as a consequence of any supply made or deemed to be made or other matter in connection with this agreement by you, a corresponding adjustment may at your discretion be made as between you and I and in such event, any payment necessary to give effect to the adjustment shall be made.
- (e) All Tax as shall be payable by me to you as herein provided shall be paid at such times and in such manner as shall be requested by you.
- (f) I hereby agree to do all things reasonably requested by you to assist you in complying with your obligations under any applicable legislation under which any Tax is imposed. In the event a new Tax is introduced and such Tax is required to be charged on the transaction contemplated in this Agreement, I agree to provide my fullest cooperation to you in assisting you in complying with your obligations under the relevant laws.
- (g) For the avoidance of doubt, the parties agree that any sum payable or amount to be used in the calculation of a sum payable expressed elsewhere in this agreement has been determined without regard to and does not include amounts to be added on under this clause on account of Tax.
- (h) For the purpose of this Clause 19:  
 “Tax” means any present or future, direct or indirect, Malaysian or foreign tax, levy, impost, duty, charge, fee, deduction or withholding of any nature, that is imposed by any Appropriate Authority, including, without limitation, any consumption tax and other taxes by whatever name called, and any interest, fines or penalties in respect thereof.  
 “Appropriate Authority” means any government or taxing authority.
20. Any term, condition or provision contained herein which is illegal, void, prohibited or unenforceable shall be ineffective to the extent of such illegality, voidness, prohibition or unenforceability only without invalidating the remaining provisions hereof.
21. In addition to the permitted disclosures provided under Schedule 11 of the Islamic Financial Services Act 2013 (“IFSA”), I irrevocably authorise and permit you, your officers and employees to disclose and furnish all information concerning the Indebtedness under this Agreement, the Goods, present and future accounts of mine and any other matters relating to me or my business and operations to:
- (a) other financial institutions granting or intending to grant any financing or credit facilities to me, the Central Credit Bureau or any other central credit bureau established by BNM, Cagamas Berhad, Biro Maklumat Cek, Credit Guarantee Corporation, any other relevant authority as may be authorised by law to obtain such information or such authorities/agencies established by BNM or any agency established by the Association of Islamic Banking Institutions Malaysia or Association of Banks in Malaysia;
- (b) any current or future corporation which may be associated with or related to you (as defined in the Companies Act 2016), including representative and branch offices and their respective representatives as well as subsidiaries of your holding company and/or Hong Leong Bank Berhad’s holding company;
- (c) the Security Parties or any party intending to provide security in respect of the Indebtedness;
- (d) your auditors, solicitors and/or other agents in connection with the recovery of moneys due and payable hereunder; and
- (e) your professional advisers, service providers, nominees, agents, contractors or third party service providers who are involved in the provision of products and services to or by you and your related or associated companies.
- I hereby irrevocably consent to such disclosure and confirm that you, your officers and employees shall be under no liability for furnishing such information or for the consequences of any reliance which may be placed on the information so furnished in accordance with this Agreement. I hereby expressly authorise and consent to you obtaining any other information about me from any credit reference agency or sources and at any time you consider appropriate.
22. I hereby agree and consent to the holding, collection and use of all personal data provided to you by me and/or acquired by you from the public domain, as well as personal data that arises as a result of the provision of services to me in connection with the Indebtedness under this Agreement in accordance with your Privacy Notice as may be amended from time to time.  
 “Privacy Notice” shall mean your policies and principles pertaining to the collection, use and storage of personal information of existing and prospective individuals and entities dealing with you as may be amended from time to time and made available at your website or in such manner as you deem appropriate from time to time.
23. I hereby represent and warrant that I have obtained the consent of all persons named in my application for the Indebtedness under this Agreement or such other document submitted to you in support of such application and/or their authorised representatives, including but not limited to the directors, shareholders, authorised signatories or such other persons as specified by you (“Relevant Data Subjects”), for your collection, holding and use of the personal information of the Relevant Data Subjects in accordance with your Privacy Notice as may be amended from time to time.
24. Time wherever mentioned in this Agreement shall be the essence of this Agreement.
25. You shall be entitled, at any time, without my consent, to assign all or any part of your rights, interest and benefit in or pursuant to this Agreement or in the Goods including but not limited to the license conferred on you, your employees, your representatives and/or your agents to enter upon land or premises to inspect and/or repossess the Goods and/or sell my Indebtedness under this Agreement, in the event the account in respect of my Indebtedness has been classified as delinquent or impaired by you, to such third party as you shall deem fit in your sole and absolute discretion.
26. To enable you to comply with the IFSA and the BNM Guidelines on Credit Transactions and Exposures with Connected Parties (“Guidelines”), I shall declare to you whether I am a connected party under the Guidelines, which includes but is not limited to, a spouse, child, parent or financial dependant of your Director, Executive Officer or credit-approving/appraising/reviewing officer or in the case of a corporate/business-customer, includes an entity controlled by such abovementioned persons of yours. If at any time I become a connected person, I must notify you immediately. You reserve the right to terminate this Agreement in the event I fail to make the appropriate or correct declaration resulting in your contravening the IFSA or the said Guidelines.
27. The Schedule appearing overleaf shall form an integral part of this Agreement.
28. \*The minimum EPR applicable to the Facilities shall not be less than 4.00% per annum calculated on daily rest or such other minimum rate as may be prescribed by you from time to time.
29. Appointment of Agent  
 In amplification and not in derogation of your rights under this Agreement, you shall have the right, at your sole discretion, to appoint an agent of your choice to collect all and any sums due to you from me under this Agreement.
30. This Agreement shall be binding upon my heirs, liquidators, receivers, representatives, permitted assigns and successors-in-title and enforceable by your successors-in-title and assigns.

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\* This does not apply to fixed rate Auto Financing-i