

APPENDIX I (A)

PRINCIPAL TERMS AND CONDITIONS OF THE PROPOSAL

**(in relation to the issue of Conventional
CPs and Conventional MTNs)**

BACKGROUND INFORMATION

- (a) Issuer
- (i) Name Cagamas Berhad (“Cagamas” or “the Issuer”)
 - (ii) Address Registered Address:
19th Floor, West Wing
Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
 - (iii) Business registration no. 157931-A
 - (iv) Date/place of incorporation 2 December 1986 / Kuala Lumpur
 - (v) Date of listing (in case of a public listed company) Not applicable
 - (vi) Status Resident controlled company
Bumiputera controlled company
 - (vii) Principal activities The Issuer’s principal activities consists of the purchase of mortgage loans, hire purchase and leasing receivables (conventional and Islamic) from primary lenders and the issue of bonds and notes (conventional and Islamic) to finance these purchases.
 - (viii) Board of directors The board of directors of the Issuer as at 16 March 2007 :
 - i. Dato’ Ooi Sang Kuang
 - ii. Dato’ Sri Tay Ah Lek
 - iii. Datuk Amirsham A. Aziz
 - iv. Dato’ Mohd Razif Abdul Kadir
 - v. Dato’ Albert Yeoh Beow Tit
 - vi. Mrs. Yvonne Chia
 - vii. YM Tunku Afwida Tunku A. Malek
 - viii. Mr Tang Wing Chew
 - ix. Mr Cheah Tek Kuang
 - x. Mr George Ratilal
 - xi. Dato’ Sri Abdul Hamidy Abdul Hafiz

(ix) Structure of shareholdings and names of shareholders

Shareholders as at 16 March 2007	No. of Shares of RM1.00 each	Percentage of Issued and Paid-Up Capital (%)
Bank Negara Malaysia	30,000,000	20.0
CIMB Group	24,684,000	16.5
Maybank Group	20,679,000	13.8
RHB Bank Group	13,532,400	9.0
AmBank Group	12,066,000	8.0
Public Bank Group	10,485,600	7.0
Hong Leong Bank Berhad	6,486,000	4.3
HSBC Bank Malaysia Berhad	6,201,000	4.1
Alliance Bank Group	5,583,000	3.7
Affin Bank Group	4,410,000	2.9
EON Bank Berhad	2,472,000	1.7
Standard Chartered Bank Malaysia Berhad	4,590,000	3.1
United Overseas Bank (Malaysia) Berhad	3,330,000	2.2
OCBC Bank (Malaysia) Berhad	2,997,000	2.0
Bank of Tokyo-Mitsubishi UFJ (Malaysia) Berhad	738,000	0.5
Southern Investment Bank Berhad	450,000	0.3
Bangkok Bank Berhad	369,000	0.3
The Bank of Nova Scotia Berhad	327,000	0.2

Shareholders as at 16 March 2007	No. of Shares of RM1.00 each	Percentage of Issued and Paid-Up Capital (%)
ABN AMRO Bank Berhad	300,000	0.2
Deutsche Bank (Malaysia) Berhad	300,000	0.2
TOTAL		100

(x) Authorised and paid-up capital Authorised capital as at 16 March 2007
RM500,000,000 comprising 500,000,000 ordinary shares of RM1.00 each.

Paid-up capital as at 16 March 2007
RM150,000,000 comprising 150,000,000 ordinary shares of RM1.00 each.

PRINCIPAL TERMS AND CONDITIONS

(a) Names of parties involved in the proposed transaction (where applicable)

- | | | |
|--------|--|--|
| (i) | Joint Principal adviser(s)/ Lead arranger(s) | Aseambankers Malaysia Berhad (“Aseambankers”), CIMB Investment Bank Berhad (formerly known as Commerce International Merchant Bankers Berhad) and/or its affiliates (“CIMB”) and HSBC Bank Malaysia Berhad (“HSBC”), as Joint Principal Advisers (“JPAs”) and Joint Lead Arrangers (“JLAs”). |
| (ii) | Arranger(s) | Not applicable |
| (iii) | Valuers | Not applicable |
| (iv) | Solicitors | Messrs. Wong & Partners as legal counsel for the JPAs and JLAs
Messrs. Zaid Ibrahim & Co as legal counsel for the Issuer |
| (v) | Financial adviser | Not applicable |
| (vi) | Technical adviser | Not applicable |
| (vii) | Guarantor | Not applicable |
| (viii) | Trustee | PB Trustee Services Berhad |
| (ix) | Facility Agent | Cagamas Berhad |

- | | | |
|--------|--|--|
| (x) | Primary Subscriber(s) and amount subscribed (where applicable) | If applicable, to be determined prior to each issuance |
| (xi) | Underwriter(s) and amount underwritten | The Commercial Papers (“CPs”) and Medium Term Notes (“MTNs”) will not be underwritten. |
| (xii) | Central depository | Bank Negara Malaysia (“BNM”) |
| (xiii) | Paying agent | BNM |
| (xiv) | Reporting accountant | Ernst & Young |
| (xv) | Others (please specify) | <u>Tender Panel Members (“TPMs”) (for issue of CPs only)</u> |

Persons to whom an issue of, or an offer or invitation to subscribe, the Notes would fall within Schedule 2 or Section 38(1)(b), Schedule 3 or Section 39(1)(b) and Schedule 5 or Section 66(3) of the Securities Commission Act 1993 as amended from time to time (“SCA”).

Joint Lead Managers

In relation to each issue of CPs and or MTNs, any of the following financial institutions may be appointed to manage such issue:

- a. AmInvestment Bank Berhad
- b. Aseambankers
- c. CIMB
- d. Hong Leong Bank Berhad
- e. HSBC
- f. Standard Chartered Bank Malaysia Berhad.

In the event any of the foregoing financial institutions decline to act in relation to any issue of CPs and or MTNs, Cagamas may appoint other financial institutions to manage such issue, (the financial institutions managing an issue being hereinafter referred to as “JLMs”).

(b)	Facility description	<p>A Commercial Paper programme (“CP Programme”) for the issue of conventional CPs (“CCPs”) and Islamic CPs (“ICPs”); and</p> <p>A Medium Term Notes programme (“MTN Programme”) for the issue of conventional MTNs (“CMTNs”) and Islamic MTNs (“IMTNs”),</p> <p>(the CP Programme and the MTN Programme being collectively referred to as the “Programmes”. CPs and MTNs issued pursuant to the Programmes are collectively referred to as the “Notes”).</p> <p>The principal terms and conditions of the ICPs and the IMTNs are the subject of a separate term sheet which is annexed as Appendix 1(B).</p>
(c)	Issue size (RM)	<p><u>CPs</u></p> <p>The aggregate outstanding nominal value of the CPs issued under the CP Programme (comprising the CCPs and the ICPs) shall not at any point in time exceed RM20 billion.</p> <p><u>MTNs</u></p> <p>The aggregate outstanding nominal value of the MTNs issued under the MTN Programme (comprising the CMTNs and the IMTNs) shall not at any point in time exceed RM40 billion.</p>
(d)	Issue price	<p>The issue price of the CCPs and the CMTNs shall be calculated in accordance with the Rules on Fully Automated System for Issuing/Tendering (“FAST”) issued by BNM, as amended or substituted from time to time (“FAST Rules”), subject to such exemptions (if any) granted from time to time.</p> <p>The issue price of CCPs and CMTNs will be determined prior to each issuance of CCPs or CMTNs, as the case may be.</p>
(e)	Tenor of the facility / issue	<p><u>CPs</u></p> <p>The tenor of the CP Programme is seven (7) years from the date of the first issue under the CP Programme.</p>

CCPs issued under the CP Programme may have tenors of any period not exceeding one year. Any CCPs issued must mature within the tenor of the CP Programme.

MTNs

The tenor of the MTN Programme is forty (40) years from the date of the first issue under the MTN Programme.

CMTNs issued under the MTN Programme may have tenors of any period exceeding one year but not exceeding forty years.

Any CMTNs issued must mature within the tenor of the MTN Programme.

The first issuance of the CPs and the first issuance of the MTNs shall be made within two (2) years from the date of approval by the Securities Commission (“SC”).

(f)	Interest/ coupon (%) (please specify)	The CCPs and the CMTNs will be issued at par or at a discount. The coupon rate (if applicable, and which may be fixed, floating or zero coupon) will be determined prior to each issuance of CCPs or CMTNs as the case may be.
(g)	Interest/ coupon payment frequency	In respect of CCPs and the CMTNs which are issued with coupons, the coupons will be payable on a semi-annual basis or such other periodic basis as determined prior to the issuance of such CCPs or CMTNs.
(h)	Interest/ coupon payment basis	Actual/365.
(i)	Yield to maturity (%)	To be determined prior to issuance.
(j)	Security/ collateral (if any)	Unsecured
(k)	Details on utilisation of proceeds	The proceeds raised from the issuance of CCPs and CMTNs under the CP Programme and MTN Programme respectively shall be utilised for working capital and general corporate purposes.
(l)	Sinking fund (if any)	None

- (m) Rating
- * Credit rating assigned
(Please specify if this is an indicative rating)
- The indicative rating for the CP Programme is P1 (or its equivalent) and the indicative rating for the MTN Programme is AAA (or its equivalent).
- * Name of rating agency
- Rating Agency Malaysia Berhad (“RAM”) and Malaysian Rating Corporation Berhad (“MARC”).
- (n) Form and denomination
- The Notes shall be issued in accordance with (1) the “Code of Conduct and Market Practices for the Malaysian Corporate Bond Market” issued by the Institut Peniaga Bon Malaysia and approved by BNM (“IPBM Code”) and (2) the “Rules on the Scripless Securities” under the Real Time Electronic Transfer of Funds and Securities (“RENTAS”) system issued by BNM (“RENTAS Rules”) and (3) the FAST Rules issued by BNM, or their replacement thereof (collectively the “Codes of Conduct”) applicable from time to time. The RENTAS Rules shall prevail to the extent of any inconsistency between the RENTAS Rules and the IPBM Code. Each tranche of the Notes shall be represented by a global certificate to be deposited with BNM, and is exchanged for definitive bearer form only in certain limited circumstances. The denomination of the Notes shall be RM1,000 or in multiples of RM1,000 at the time of issuance.
- (o) Mode of issue
- CPs and MTNs may be issued through any of the following modes as determined by the Issuer:
- (i) by competitive tender by TPMs (for CPs only),
 - (ii) by direct private placement (applicable to both CPs and MTNs),
 - (iii) through a book running or a book building process (applicable to both CPs and MTNs),
 - (iv) on a bought deal basis (applicable to both CPs and MTNs).
- Issuance of the CPs or MTNs under the programme shall be in accordance with the FAST Rules, subject to such exemptions (if any) granted from time to time.

- (p) Selling restriction
- (i) At the point of issuance
- The Notes may only be offered, sold, transferred or otherwise disposed directly or indirectly to a person to whom an offer or invitation to subscribe the Notes and to whom the Notes are issued would fall within Schedule 2 or Section 38(1)(b), Schedule 3 or Section 39(1)(b) and Schedule 5 or Section 66(3) of the SCA as amended from time to time.
- (ii) After Issuance
- The Notes may only be offered, sold, transferred or otherwise disposed directly or indirectly to a person to whom an offer or invitation to purchase the Notes would fall within Schedule 2 or Section 38(1)(b) of SCA and Schedule 5 or Section 66(3) of the SCA.
- (q) Listing status
- The Notes will not be listed on Bursa Malaysia Securities Berhad or any other stock exchanges.
- (r) Minimum level of subscription (RM or %)
- The minimum level of subscription for each issue that is issued on a bought deal basis shall be 100%. The minimum level of subscription for each issue that is not issued on a bought deal basis shall be 5% of the size of a particular issue.
- (s) Other regulatory approvals required in relation to the issue, offer or invitation and whether or not obtained (please specify)
- None.
- (t) Conditions precedent
- To include but not limited to the following (all have to be in form and substance acceptable to the JLAs and as may be waived by the JLAs):

A. Main Documentation

- (i) The documents for the establishment of the Programmes (the “transaction documents”) have been executed and endorsed as exempt from stamp duty.

B. Issuer

- (i) Certified true copies of the Certificate of Incorporation, and the Memorandum and Articles of Association, of the Issuer.
- (ii) Certified true copies of the latest Forms 24 and 49 of the Issuer.
- (iii) A certified true copy of board resolutions of the Issuer authorising, among others, the execution of the transaction documents.
- (iv) A list of the Issuer's authorised signatories and their respective specimen signatures.
- (v) A report of the relevant company search of the Issuer.
- (vi) A report of the relevant winding up search or the relevant statutory declaration of the Issuer.

C. General

- (i) The approval from the Securities Commission ("SC") and, where applicable, all other regulatory authorities.
 - (ii) The CP Programme shall have been rated P1 (or its equivalent) and the MTN Programme shall have been rated AAA (or its equivalent).
 - (iii) Evidence that all transaction fees, costs and expenses have been or will be paid in full.
 - (iv) The JLAs have received from their legal counsel a legal opinion addressed to them and the Trustee.
 - (v) Such other conditions precedent as advised by the legal counsel of the JLAs and agreed to by the Issuer.
- (u) Representations and warranties
- Customary representations and warranties for a facility of this nature which include the following, subject to exceptions to be agreed to between the parties during documentation:

- (i) the Issuer is a company with limited liability duly incorporated and validly existing under the laws of Malaysia, has power to carry on its business and to own its property and assets;
- (ii) the Issuer is authorised to execute and deliver and perform the transactions contemplated in the transaction documents in accordance with their terms;
- (iii) neither the execution and delivery of any of the transaction documents nor the performance of any of the transactions contemplated by the transaction documents (a) contravene or constitute a default under any provision contained in any agreement, law, judgment, licence, permit or consent by which the Issuer or any of its assets is bound or which is applicable to the Issuer or any of its assets, (b) cause any limitation on the Issuer or the powers of its directors to be exceeded, or (c) cause the creation or imposition of any security interest or restriction of any nature on any of the Issuer's assets;
- (iv) each of the transaction documents is or will when executed and/or issued, as the case may be, be in full force and effect and constitutes, valid and legally binding obligations of the Issuer enforceable in accordance with its terms;
- (v) the audited financial statements of the Issuer have been prepared on a basis consistently applied and in accordance with approved accounting standards in Malaysia;
- (vi) no litigation or claim which is likely to by itself or together with any other such proceedings or claims have a material adverse effect is presently in progress or pending, in relation to which the Issuer has not taken any action in good faith to set aside or defend;

- (vii) the Issuer is unaware that an event has occurred which constitutes a contravention of, or default under, any agreement or instrument by which the Issuer or any of its assets are bound or affected, being a contravention or default which is likely to have a material adverse effect;
- (viii) the Issuer is in compliance and will comply with any applicable laws and regulations; and

any other representations and warranties as advised by the Legal Counsel of the JLAs and mutually agreed between the JLAs and the Issuer.

(v) Events of default

Customary events of default for a facility of this nature which include the following, subject to exceptions and remedy period to be agreed to between the parties during documentation:

- (i) the Issuer fails to pay any amount due from it under any of the transaction documents on the due date or, if so payable, on demand;
- (ii) material misrepresentation by the Issuer;
- (iii) the Issuer fails to observe or perform its obligations under any of the transaction documents or the Notes or under any undertaking or arrangement entered into in connection therewith other than an obligation of the type referred to in paragraph (i) above, and such failure has a material adverse effect, and in the case of such failure which in the opinion of the Trustee is capable of being remedied, the Issuer does not remedy the failure within a period of fourteen (14) days after the Issuer having been notified by the Trustee of the failure;
- (iv) any indebtedness for borrowed moneys of the Issuer becomes due or payable or capable of being declared due or payable prior to its stated maturity or any guarantee or similar obligations of the

Issuer is not discharged at maturity or when called and such declaration of indebtedness being due or payable or such call on the guarantee or similar obligations is not discharged within a period of fourteen (14) days from the date of such declaration or call, or any security created to secure such indebtedness becomes enforceable;

- (v) an encumbrancer takes possession of, or a trustee, receiver, receiver and manager or similar officer is appointed in respect of the whole or substantial part of the business or assets of the Issuer;
- (vi) the Issuer fails to satisfy any judgement passed against it by any court of competent jurisdiction and in the reasonable opinion of the Trustee such event has a material adverse effect;
- (vii) proceedings or steps taken for the winding-up of the Issuer and in the reasonable opinion of the Trustee, such event has a material adverse effect;
- (viii) a scheme of arrangement under section 176 of the Companies Act 1965 has been instituted by or against the Issuer;
- (ix) where there is a revocation, withholding or modification of any license, authorisation, approval or consent which in the opinion of the Trustee is likely to have a material adverse effect;
- (x) the Issuer is deemed unable to pay any of its debts or becomes unable to pay any of its debts as they fall due or suspends or threatens to suspend making payments with respect to all or any class of its debts;
- (xi) any creditor of the Issuer exercises a contractual right to take over the financial management of the Issuer and such event in the opinion of the Trustee may have a material adverse effect;

- (xii) the Issuer changes the nature or scope of its business, suspends, ceases or threatens to suspend or cease a substantial part of its business operations;
- (xiii) illegality;
- (xiv) the Issuer repudiates any of the transaction documents or the Issuer does or causes to be done any act or thing evidencing an intention to repudiate any of the transaction documents;
- (xv) all or a substantial portion of the assets, undertakings, rights or revenue of the Issuer are seized, nationalised, expropriated or compulsorily acquired by or under the authority of any governmental body which in the opinion of the Trustee is likely to have a material adverse effect; or
- (xvi) such other event as may be advised by the legal counsel of JLAs and mutually agreed with the Issuer.

Upon the declaration of an Event of Default, the Trustee may or shall (if directed to do so by a special resolution of the Noteholders) declare that the Notes together with all other sums payable under the Notes shall become immediately due and payable. Thereafter, the Trustee may take proceedings against the Issuer as it may think fit to enforce immediate payment of the Notes.

(w) Principal terms and conditions for warrants (where applicable)

Not applicable.

(x) Other principal terms and conditions for the issue

Information Covenants: Customary information covenants for a facility of this nature including but not limited to:

- (i) the Issuer shall provide to the Trustee a certificate confirming that it has complied

with all its obligations under the transaction documents and the terms and conditions of the Notes;

- (ii) the Issuer shall deliver to the Trustee the following:
 - (a) within nine (9) months of the expiration of each financial year, the annual audited accounts of the Issuer for that financial year and any other accounts, report, notice, statement or circular issued to the shareholders;
 - (b) within thirty (30) days after each of its annual general meetings, a copy of its balance sheet and profit and loss account adopted at the annual general meeting and certified by the auditors of the Issuer and a copy of such auditors' report thereon as well as any other accounts, report, notice, statement or circular issued to shareholders within thirty (30) days of the same being issued to the shareholders;
 - (c) promptly, such additional financial or other information relating to the Issuer's business and its operations as the Trustee may from time to time reasonably request; and
 - (d) promptly, all notices or other documents received by the Issuer from any of its shareholders or its creditors which contents may materially and adversely affect the interests of the Noteholders, and a copy of all documents despatched by the Issuer to its shareholders (or any class of them),
- (iii) the Issuer shall promptly notify the Trustee of any change in its board of directors and/or substantial shareholders;

- (iv) the Issuer shall promptly notify the Trustee and the Rating Agencies of any change in its condition (financial or otherwise) and of any litigation or other proceedings of any nature whatsoever being threatened or initiated against the Issuer which may materially and adversely affect the ability of the Issuer to perform any of its obligations under any of the transaction documents;
- (v) the Issuer shall promptly give notice to the Trustee and the Rating Agencies of the occurrence of any Event of Default or any potential Event of Default forthwith upon becoming aware thereof, and it shall take all reasonable steps and/or such other steps as may reasonably be requested by the Trustee to remedy and/or mitigate the effect of the Event of Default or the potential Event of Default;
- (vi) any other covenants as advised by the Legal Counsel of the JLAs and mutually agreed between the JLAs and the Issuer.

Positive Covenants:

Standard undertakings (subject to exceptions and compliance periods to be agreed to between the parties during documentation) for a facility of this nature including but not limited to:

- (i) the Issuer shall maintain in full force and effect all relevant authorisations, consents, rights, licences, approvals and permits and will promptly obtain any further authorisations, consents, rights, licences, approvals and permits which is or may become necessary;
- (ii) the Issuer shall at all times on demand, execute all such further documents and do all such further acts reasonably necessary at any time or times to give further effect to the terms and conditions of the transaction documents;
- (iii) the Issuer shall exercise reasonable diligence in carrying out its business and affairs in a proper and efficient manner and in accordance with sound financial and commercial standards and practices;

- (iv) the Issuer shall promptly perform and carry out all its obligations under all the transaction documents and ensure that it shall immediately notify the Trustee in the event that the Issuer is unable to fulfil or comply with any of the provisions of the transaction documents;
- (v) the Issuer shall prepare its financial statements on a basis consistently applied in accordance with approved accounting standards in Malaysia and shall disclose or provide against all liabilities (actual or contingent) of the Issuer;
- (vi) the Issuer shall promptly comply with all applicable laws including the provisions of the SCA and/or the notes, circulars, conditions or guidelines issued by SC from time to time;
- (vii) any other covenants as may be advised by the legal counsel of the JLAs and to be mutually agreed between the Issuer and the JLAs.

Negative Covenants: Standard undertakings (subject to exceptions and compliance periods to be agreed to between the parties during documentation) for a facility of this nature including but not limited to:

- (i) save in the ordinary course of its business or in connection with the raising of funds in accordance with Syariah principles, under the terms of which the Issuer has the right to acquire back any undertakings or assets disposed, the Issuer shall not dispose of the whole or a material part of its undertakings or assets;
- (ii) the Issuer shall not use the proceeds of the Programmes except for the purposes set out herein;
- (iii) the Issuer shall not enter into a transaction whether directly or indirectly with interested persons (including a director, substantial shareholder or persons connected with them) unless such transaction shall be on terms that

are no less favourable to the Issuer than those which could have been obtained in a comparable transaction from persons who are not interested persons; and

- (iv) any other covenants as may be advised by the legal counsel of the JLAs and to be mutually agreed between the Issuer and the JLAs.

Redemption	Unless previously redeemed or purchased and cancelled, the Notes will be redeemed by the Issuer at 100% of their nominal value on their respective maturity dates or earlier if early redemption is permitted or provided for.
Repurchase and Cancellation	The Issuer may at any time purchase the Notes at any price in the open market or by private treaty and these repurchased Notes shall be cancelled.
Transferability	The Notes are transferable but subject to the Selling Restrictions described above.
Default Interest	There will be no provision in the documentation relating to the Notes for default interest to be paid on overdue amounts.
Taxation	All payments by the Issuer shall be made without withholding or deductions for or on account of any present or future tax, duty or charge of whatsoever nature imposed or levied by or on behalf of Malaysia or any other applicable jurisdictions, or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In the event of any withholding or deduction required by law, the Issuer shall not be required to make payment of any additional amount on account of such withholding or deduction.
Governing Laws	Laws of Malaysia.
Jurisdiction	The Issuer shall unconditionally and irrevocably submit to the non-exclusive jurisdictions of the courts of Malaysia.

APPENDIX I (B)

PRINCIPAL TERMS AND CONDITIONS OF THE PROPOSAL

**(in relation to the issue of Islamic CPs and
the Islamic MTNs)**

BACKGROUND INFORMATION

(a) Issuer	Cagamas Berhad (“Cagamas” or “the Issuer”)
(i) Address	<u>Registered Address:</u> 19 th Floor, West Wing Menara Maybank 100, Jalan Tun Perak 50050 Kuala Lumpur
(ii) Business registration no.	157931-A
(iii) Date/ place of incorporation	2 December 1986 / Kuala Lumpur
(iv) Date of listing (in case of a public listed company)	Not applicable
(v) Status	Resident controlled company Bumiputera controlled company
(vi) Principal activities	The Issuer’s principal activities consists of the purchase of mortgage loans, hire purchase and leasing receivables (conventional and Islamic) from primary lenders and the issue of bonds and notes to finance these purchases.
(vii) Board of directors	The board of directors of the Issuer as at 16 March 2007: i. Dato’ Ooi Sang Kuang ii. Dato’ Sri Tay Ah Lek iii. Datuk Amirsham A. Aziz iv. Dato’ Mohd Razif Abdul Kadir v. Dato’ Albert Yeoh Beow Tit vi. Mrs. Yvonne Chia vii. YM Tunku Afwida Tunku A. Malek viii. Mr Tang Wing Chew ix. Mr Cheah Tek Kuang x. Mr George Ratilal xi. Dato’ Sri Abdul Hamidy Abdul Hafiz

(viii) Structure of shareholdings and names of shareholders

Shareholders as at 16 March 2007	No. of Shares of RM1.00 each	Percentage of Issued and Paid-Up Capital (%)
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Shareholders as at 16 March 2007	No. of Shares of RM1.00 each	Percentage of Issued and Paid-Up Capital (%)
Bank of Tokyo-Mitsubishi UFJ (Malaysia) Berhad	738,000	0.5
Southern Investment Bank Berhad	450,000	0.3
Bangkok Bank Berhad	369,000	0.3
The Bank of Nova Scotia Berhad	327,000	0.2
ABN AMRO Bank Berhad	300,000	0.2
Deutsche Bank (Malaysia) Berhad	300,000	0.2
TOTAL		100

(ix) Authorised and paid-up capital

Authorised capital as at 16 March 2007:
RM500,000,000 comprising 500,000,000 ordinary shares of RM1.00 each.

Paid-up capital as at 16 March 2007:
RM150,000,000 comprising 150,000,000 ordinary shares of RM1.00 each.

PRINCIPAL TERMS AND CONDITIONS

(a) Name of parties involved in the proposed transaction (where applicable)

- (i) Joint Principal adviser(s)/ Lead arranger(s)
- Aseambankers Malaysia Berhad ("Aseambankers"), CIMB Investment Bank Berhad (formerly known as Commerce International Merchant Bankers Berhad) and/or its affiliates ("CIMB") and HSBC Bank Malaysia Berhad ("HSBC"), as Joint Principal Advisers ("JPAs") and Joint Lead Arrangers ("JLAs").

(ii)	Arranger(s)	Not applicable
(iii)	Valuers	Not applicable
(iv)	Solicitors	Messrs. Wong & Partners as legal counsel for the JPAs and JLAs Messrs. Zaid Ibrahim & Co as legal counsel for the Issuer
(v)	Financial adviser	Not applicable
(vi)	Technical adviser	Not applicable
(vii)	Guarantor	Not applicable
(viii)	Trustee	PB Trustee Services Berhad
(ix)	Facility Agent	Cagamas
(x)	Primary Subscriber(s) and amount subscribed (where applicable)	If applicable, will be determined at the point of issuance.
(xi)	Underwriter(s) and amount underwritten	The Islamic Commercial Papers (“ICPs”) and Islamic Medium Term Notes (“IMTNs”) will not be underwritten.
(xii)	Syariah adviser	CIMB Islamic Shariah Committee, Maybank Shariah Committee and HSBC Bank Malaysia Berhad Shariah Committee
(xiii)	Central Depository	Bank Negara Malaysia (“BNM”)
(xiv)	Paying agent	BNM
(xv)	Reporting accountant	Ernst & Young
(xvi)	Others (please specify)	<u>Tender Panel Members (“TPMs”) (for issue of ICPs only)</u> Persons to whom an issue of, or an offer or invitation to subscribe, the Notes would fall within Schedule 2 or Section 38(1)(b), Schedule 3 or Section 39(1)(b) and Schedule 5 or Section 66(3) of the Securities Commission Act 1993 as amended from time to time (“SCA”).

Joint Lead Managers

In relation to each issue of ICPs and or IMTNs, any of the following financial institutions may be appointed to manage such issue:

- a. AmInvestment Bank Berhad
- b. Aseambankers
- c. CIMB
- d. Hong Leong Bank Berhad
- e. HSBC
- f. Standard Chartered Bank Malaysia Berhad.

In the event any of the foregoing financial institutions decline to act in relation to any issue of ICPs and or IMTNs, Cagamas may appoint other financial institutions to manage such issue, (the financial institutions managing an issue being hereinafter referred to as "JLMs").

(b) Islamic principle used

Each issue of Islamic CPs and MTNs will be based on but not limited to the following Syariah principles as agreed between the Syariah Advisers and the Issuer:

- (i) Murabahah
- (ii) Ijarah
- (iii) Mudharabah
- (iv) Musyarakah
- (v) Istisna'.

Where it is proposed to issue any ICPs or IMTNs based on a Syariah principle which is not listed above, the prior approval of the SC will be sought.

(c) Facility description

A Commercial Paper Programme ("CP Programme") for the issue of conventional CPs ("CCPs") and Islamic CPs ("ICPs"); and

A Medium Term Notes Programme ("MTN Programme") for the issue of conventional MTNs ("CMTNs") and Islamic MTNs ("IMTNs").

(the CP Programme and the MTN Programme being collectively referred to as the "Programmes". CPs and MTNs issued pursuant to the Programmes are collectively

referred to as the “Notes”).

The principal terms and conditions of the CCPs and the CMTNs are the subject of a separate term sheet which is annexed as Appendix1(A).

The Issuer may issue ICPs and IMTNs based on but not limited to the following Syariah principles:

- (a) Murabahah;
- (b) Ijarah;
- (c) Mudharabah;
- (d) Musyarakah; and
- (e) Istisna.

Murabahah

Where the principle of Murabahah is used, it will involve as a first step, the purchase of Syariah-compliant assets, e.g. Mudharabah Interbank Investment and/or other tangible assets (the “Asset”) from the Issuer or asset vendor. The Issuer or asset vendor and trustee (acting on behalf of the Investors) shall execute an Asset Purchase Agreement (“APA”) under which the Issuer or asset vendor shall sell on a spot basis the Asset to the Investors for a Purchase Price, which represents the amount to be disbursed to the Issuer under the respective Notes issued. The trustee shall immediately sell the Asset to the Issuer evidenced by an Asset Sale Agreement (“ASA”) for a Sale Price, equivalent to the Purchase Price and a mark-up (profit) to be settled on deferred payment basis. The Issuer shall issue Notes to Investors to evidence its obligation to settle the Sale Price to Investors.

Ijarah

The trustee, on behalf of the Noteholders shall purchase certain Syariah compliant leasable assets (“the Assets”) from the Issuer at an Asset purchase price. The trustee shall lease the Assets to the Issuer under an Ijarah Agreement for a pre-determined lease rental. The Issuer shall pay the periodic lease rental on each rental payment date. The Issuer shall issue trust certificates or notes to Investors to evidence the Investors’ respective interest in

the trust assets or the Issuer's obligation under the relevant transaction documents. On maturity, the dissolution date or any other events to be agreed between the parties, the Issuer shall purchase the Assets from the trustee for a consideration plus other related expenses.

Musyarakah

Investors shall form a Musyarakah among themselves and shall, via the trustee, invest in certain Syariah compliant assets ("Assets") of the Issuer (the Venture) and appoint the Issuer to manage its Venture, for which the Issuer shall be paid an incentive management fee. The Issuer shall issue trust certificates to Investors to evidence the Investors' respective interest in the trust assets. The profits from the Venture shall be shared between the Investors either in the proportion of their respective investment as evidenced by the nominal value of the Notes held by them or any other basis to be pre-agreed amongst the Investors at the outset of the Venture. The losses from the Venture shall be shared between the Investors in proportion to their respective investment.

The cashflow from the Venture shall be distributed by the Issuer to the trustee which shall then be distributed to Investors as periodic distributions. Cashflow in excess of the expected periodic distribution amount shall be paid to the Issuer as an incentive fee. If the cashflow generated by the Venture is lower than the expected periodic distribution, the Issuer shall make good the shortfall with an amount ("Advance Payment") which will be set-off against the Issuer's obligation pursuant to the Purchase Undertaking. Pursuant to a Purchase Undertaking issued by the Issuer in favour of the trustee, the Issuer shall purchase the trustee's interest in the Assets at an exercise price to be calculated based on a pre-agreed formula on maturity, the dissolution date or any other events to be agreed between the parties.

Mudharabah

The proposed Mudharabah is premised on a Mudharabah Venture (Venture) entered into

between the Issuer (Mudharib) and the Investors (Rabb al-mal). The Investors, via the trustee, shall invest in certain Syariah compliant assets (“Assets”) of the Issuer. The Issuer shall contribute its expertise in managing the Venture. The Issuer shall issue trust certificates to Investors to evidence the Investors’ respective interest in the trust assets. The profits from the Venture shall be shared between the Issuer as the manager and the Investors on a pre-agreed profit sharing ratio. The Investors profit portion shall be distributed by the Issuer to the trustee which shall then be distributed to Investors as periodic distributions. Profits in excess of the expected periodic distribution amount shall be paid to the Issuer as an incentive fee. If the profits generated by the Venture is lower than the expected periodic distribution, the Issuer shall make good the shortfall with an amount (“Advance Payment”) which will be set-off against the Issuer’s obligation pursuant to the Purchase Undertaking. Pursuant to a Purchase Undertaking issued by the Issuer in favour of the trustee, the Issuer shall purchase the trustee’s interest in the Assets at an exercise price to be calculated based on a pre-agreed formula.

Subject to the terms of the Purchase Undertaking, losses shall be borne by the Investors (as the Rabb al-mal).

Istisna’

The Issuer and trustee (acting on behalf of the Investors) shall execute a First Istisna’ Agreement (“FIA”) under which the Issuer agrees to deliver certain assets to be constructed to the trustee for a consideration payable on spot, which represent an amount to be disbursed under a Notes issue. The trustee shall subsequently enter into a Second Istisna’ Agreement (“SIA”) with the Issuer under which the trustee agrees to deliver certain assets to be constructed to the Issuer for a price, equivalent to the price under the FIA and a mark-up (profit) (the “Sale Price”) to be settled on deferred payment basis. The Issuer shall issue Notes to Investors to evidence its obligation to settle the Sale Price to Investors.

The diagrammatical illustration for each of the Syariah principles above is attached in Annexure 1.

Where it is proposed to issue any ICPs or IMTNs based on a Syariah principle which is not listed above, the prior approval of the SC will be sought.

The foregoing description of the relevant Syariah principles shall not be taken as limiting the application of the principles only to the transactions as described. The Issuer may, in consultation with the Syariah advisers, enter into transactions consistent with the foregoing principles but involving third parties, such as special purpose corporate entities. Such special purpose corporate entities will not be the issuer of the ICPs or IMTNs unless approval of the SC is first obtained.

(d) Issue size (RM)

CPs

The aggregate outstanding nominal value of the CCPs and the ICPs issued under the CP Programme shall not at any point in time exceed RM20 billion.

MTNs

The aggregate outstanding nominal value of the CMTNs and the IMTNs issued under the MTN Programme shall not at any point in time exceed RM40 billion.

(e) Issue price

The issue price of ICPs and IMTNs shall be calculated in accordance with the Rules on Fully Automated System for Issuing/Tendering ("FAST") issued by BNM, as amended or substituted from time to time ("FAST Rules"), subject to such exemptions (if any) granted from time to time.

The issue price of ICPs and IMTNs will be determined prior to each issuance of ICPs or IMTNs, as the case may be.

(f) Tenor of the facility / issue

CPs

The tenor of the CP Programme is seven (7)

years from the date of the first issue under the CP Programme.

ICPs issued under the CP Programme may have tenors of any period not exceeding one year. Any ICPs issued must mature within the tenor of the CP Programme.

MTNs

The tenor of the MTN Programme is forty (40) years from the date of the first issue under the MTN Programme.

IMTNs issued under the MTN Programme may have tenors of any period exceeding one year but not exceeding forty years. Any IMTNs issued must mature within the tenor of the MTN Programme.

The first issuance of the CPs and the first issuance of the MTNs shall be made within two (2) years from the date of approval by the Securities Commission ("SC").

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| (g) | Coupon/ profit or equivalent rate (%)
(please specify) | The ICPs and IMTNs will be issued at par or at a discount or with a profit rate. The profit rate (if applicable, and which may be fixed or floating) will be determined prior to each issuance of ICPs or IMTNs, as the case may be. |
| (h) | Coupon / profit payment frequency and basis | In respect of ICPs or IMTNs which are issued with a profit rate, the profit is payable on a semi-annual basis or such other periodic basis as determined prior to the issuance of such ICPs or IMTNs.

The profit payments are to be calculated on actual/actual basis or on actual/365 basis, subject always to the FAST Rules. |
| (i) | Yield to maturity (%) | To be determined prior to issuance. |
| (j) | Security/ collateral (if any) | Unsecured. |
| (k) | Details on utilisation of proceeds | The proceeds raised from the issuance of ICPs and IMTNs under the CP Programme and the MTN Programme respectively shall be utilized by Cagamas as part of its working capital and for its general corporate purposes in a Syariah compliant manner. |

(l)	Sinking fund (if any)	None
(m)	Rating * Credit rating assigned (Please specify if this is an indicative rating)	The indicative rating for the CP Programme is P1 (or its equivalent) and the indicative rating for the MTN Programme is AAA (or its equivalent).
	* Name of rating agency	Rating Agency Malaysia Berhad (“RAM”) and Malaysian Rating Corporation Berhad (“MARC”).
(n)	Form and denomination	The Notes shall be issued in accordance with (1) the “Code of Conduct and Market Practices for the Malaysian Corporate Bond Market” issued by the Institut Peniaga Bon Malaysia and approved by BNM (“IPBM Code”) and (2) the “Rules on the Scripless Securities” under the Real Time Electronic Transfer of Funds and Securities (“RENTAS”) system issued by BNM (“RENTAS Rules”) and (3) the FAST Rules issued by BNM, or their replacement thereof (collectively the “Codes of Conduct”) applicable from time to time. The Rentas Rules shall prevail to the extent of any inconsistency between the RENTAS Rules and the IPBM Code. Each tranche of the Notes shall be represented by a global certificate to be deposited with BNM, and is exchanged for definitive bearer form only in certain limited circumstances. The denomination of the Notes shall be RM1,000 or in multiples of RM1,000 at the time of issuance.
(o)	Mode of issue	ICPs and IMTNs may be issued through any of the following modes as determined by the Issuer: <ul style="list-style-type: none"> (i) by competitive tender by TPMs (for ICPs only), (ii) by direct private placement (applicable to both ICPs and IMTNs), (iii) through a book running or a book building process (applicable to both

ICPs and IMTNs),

- (iv) on a bought deal basis (applicable to both ICPs and IMTNs).

Issuance of the ICPs or IMTNs under the Programmes shall be in accordance with the FAST Rules, subject to such exemptions (if any) granted from time to time.

(p) Selling restriction

(i) At the point of issuance

The Notes may only be offered, sold, transferred or otherwise disposed directly or indirectly to a person to whom an offer or invitation to subscribe the Notes and to whom the Notes are issued would fall within Schedule 2 or Section 38(1)(b), Schedule 3 or Section 39(1)(b) and Schedule 5 or Section 66(3) of the Securities Commission Act 1993 as amended from time to time ("SCA").

(ii) After issuance

The Notes may only be offered, sold, transferred or otherwise disposed directly or indirectly to a person to whom an offer or invitation to purchase the Notes would fall within Schedule 2 or Section 38(1)(b) of SCA and Schedule 5 or Section 66(3) of the SCA.

(q) Listing status

The Notes will not be listed on Bursa Malaysia Securities Berhad or any other stock exchanges.

(r) Minimum level of subscription (RM or %)

The minimum level of subscription for each issue that is issued on a bought deal basis shall be 100%. The minimum level of subscription for each issue that is not issued on a bought deal basis shall be 5% of the size of a particular issue.

(s) Other regulatory approvals required in relation to the issue, offer or invitation and whether or not obtained (please specify)

None.

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| (t) | Identified assets | The Assets will be identified at the point of issuance and the SC will be notified accordingly of the same. |
| (u) | Purchase and selling price/rental | To be determined upon determination of the Assets and the SC will be notified accordingly. However, to the extent applicable, the purchase and selling price of the Assets at which any sale and purchase transaction is undertaken will fully comply with the SC's Syariah Advisory Council's pricing guidelines dated 31 December 2003 and 30 April 2004 respectively (as such guidelines may be amended from time to time). |
| (v) | Conditions precedent | To include but not limited to the following (all have to be in form and substance acceptable to the JLAs and as may be waived by the JLAs): |

A. Main Documentation

- (i) The documents for the establishment of the Programmes (the "transaction documents") have been executed and endorsed as being exempt from stamp duty.

B. Issuer

- (i) Certified true copies of the Certificate of Incorporation, and the Memorandum and Articles of Association, of the Issuer.
- (ii) Certified true copies of the latest Forms 24 and 49 of the Issuer.
- (iii) A certified true copy of board resolutions of the Issuer authorising, among others, the execution of the transaction documents.
- (iv) A list of the Issuer's authorised signatories and their respective specimen signatures.
- (v) A report of the relevant company search of the Issuer.

- (vi) A report of the relevant winding up search or the relevant statutory declaration of the Issuer.

C. General

- (i) The approval from the Securities Commission (“SC”) and, where applicable, all other regulatory authorities.
- (ii) The CP Programme shall have been rated P1 (or its equivalent) and the MTN Programme shall have been rated AAA (or its equivalent).
- (iii) Evidence that all transaction fees, costs and expenses have been or will be paid in full.
- (iv) The JLAs have received from their legal counsel a favourable legal opinion addressed to them and the Trustee advising with respect to, among others, the legality, validity and enforceability of the transaction documents and a confirmation addressed to the JLAs that all the conditions precedent have been fulfilled.

Such other conditions precedent as advised by the legal counsel of the JLAs and agreed to by the Issuer.

- (w) Representations and warranties

To include but not limited to the following:

- (i) the Issuer is a company with limited liability duly incorporated and validly existing under the laws of Malaysia, has power to carry on its business and to own its property and assets;
- (ii) the Issuer is authorised to execute and deliver and perform the transactions contemplated in the transaction documents in accordance with their terms;
- (iii) neither the execution and delivery of

any of the transaction documents nor the performance of any of the transactions contemplated by the transaction documents (a) contravene or constitute a default under any provision contained in any agreement, law, judgment, licence, permit or consent by which the Issuer or any of its assets is bound or which is applicable to the Issuer or any of its assets, (b) cause any limitation on the Issuer or the powers of its directors to be exceeded, or (c) cause the creation or imposition of any security interest or restriction of any nature on any of the Issuer's assets;

- (iv) each of the transaction documents is or will when executed and/or issued, as the case may be, be in full force and effect and constitutes, or will when executed or issued, as the case may be, constitute, valid and legally binding obligations of the Issuer enforceable in accordance with its terms;
- (v) the audited financial statements of the Issuer have been prepared on a basis consistently applied and in accordance with approved accounting standards in Malaysia;
- (vi) no litigation or claim which is likely to by itself or together with any other such proceedings or claims have a material adverse effect is presently in progress or pending in relation to which the Issuer has not taken any action in good faith to set aside or defend;
- (vii) the Issuer is unaware that an event has occurred which constitutes a contravention of, or default under, any agreement or instrument by which the Issuer or any of its assets are bound or affected, being a contravention or default which is

likely to have a material adverse effect;

- (viii) the Issuer is in compliance and will comply with any applicable laws and regulations; and

any other representations and warranties as advised by the Legal Counsel of the JLAs and mutually agreed between the JLAs and the Issuer.

(x) Events of default

Standard events of default for a facility of this nature including but not limited to:

- (i) the Issuer fails to pay any amount due from it under any of the transaction documents on the due date or, if so payable, on demand;
- (ii) material misrepresentation by the Issuer;
- (iii) the Issuer fails to observe or perform its obligations under any of the transaction documents or the Notes or under any undertaking or arrangement entered into in connection therewith other than an obligation of the type referred to in paragraph (i) above, and such failure has a material adverse effect, and in the case of such failure which in the opinion of the Trustee is capable of being remedied, the Issuer does not remedy the failure within a period of fourteen (14) days after the Issuer having been notified by the Trustee of the failure;
- (iv) any indebtedness for borrowed moneys of the Issuer becomes due or payable or capable of being declared due or payable prior to its stated maturity or any guarantee or similar obligations of the Issuer is not discharged at maturity or when called and such declaration of indebtedness being due or payable or such call on the guarantee or similar obligations is not discharged within a period of

- fourteen (14) days from the date of such declaration or call, or any security created to secure such indebtedness becomes enforceable;
- (v) an encumbrancer takes possession of, or a trustee, receiver, receiver and manager or similar officer is appointed in respect of the whole or substantial part of the business or assets of the Issuer;
 - (vi) the Issuer fails to satisfy any judgement passed against it by any court of competent jurisdiction and in the reasonable opinion of the Trustee such event has a material adverse effect;
 - (vii) proceedings or steps taken for the winding-up of the Issuer and in the reasonable opinion of the Trustee, such event has a material adverse effect;
 - (viii) a scheme of arrangement under section 176 of the Companies Act 1965 has been instituted by or against the Issuer;
 - (ix) where there is a revocation, withholding or modification of any license, authorisation, approval or consent which in the opinion of the Trustee is likely to have a material adverse effect materially and adversely impair;
 - (x) the Issuer is deemed unable to pay any of its debts or becomes unable to pay any of its debts as they fall due or suspend or threaten to suspend making payments with respect to all or any class of its debts;
 - (xi) any creditor of the Issuer exercises a contractual right to take over the financial management of the Issuer and such event in the opinion of the Trustee may have a material adverse effect;
 - (xii) the Issuer changes the nature or

- scope of its business, suspends, ceases or threatens to suspend or cease a substantial part of its business operations;
- (xiii) illegality;
- (xiv) the Issuer repudiates any of the transaction documents or the Issuer does or causes to be done any act or thing evidencing an intention to repudiate any of the transaction documents;
- (xv) all or a substantial portion of the assets, undertakings, rights or revenue of the Issuer are seized, nationalised, expropriated or compulsorily acquired by or under the authority of any governmental body which in the opinion of the Trustee is likely to have a material adverse effect; or
- (xvi) such other event as may be advised by the legal counsel of JLA's and mutually agreed with the Issuer.

Upon the declaration of an Event of Default, the Trustee may or shall (if directed to do so by a special resolution of the Noteholders) declare that the Notes together with all other sums payable under the Notes shall become immediately due and payable. Thereafter, the Trustee may take proceedings against the Issuer as it may think fit to enforce immediate payment of the Notes.

(y) Principal terms and conditions for warrants (where applicable)

Not applicable.

(z) Other principal terms and conditions for the issue

Information Covenants:

Standard covenants for a facility of this nature including but not limited to:

- (i) the Issuer shall provide to the Trustee, a certificate confirming that it has complied with all its obligations under the transaction documents and the terms and conditions of the

Notes;

- (ii) the Issuer shall deliver to the Trustee the following:
 - (a) within nine (9) months of the expiration of each financial year, the annual audited accounts of the Issuer for that financial year and any other accounts, report, notice, statement or circular issued to the shareholders;
 - (b) within thirty (30) days after each of its annual general meetings, a copy of its balance sheet and profit and loss account adopted at the annual general meeting and certified by the auditors of the Issuer and a copy of such auditors' report thereon as well as any other accounts, report, notice, statement or circular issued to shareholders within thirty (30) days of the same being issued to the shareholders ;
 - (c) promptly, such additional financial or other information relating to the Issuer's business and its operations as the Trustee may from time to time reasonably request; and
 - (d) promptly, all notices or other documents received by the Issuer from any of its shareholders or its creditors which contents may materially and adversely affect the interests of the Noteholders, and a copy of all documents despatched by the Issuer to its shareholders (or any class of them),
- (iii) the Issuer shall promptly notify the Trustee of any change in its board of directors and/or substantial shareholders;

- (iv) the Issuer shall promptly notify the Trustee and the Rating Agencies of any change in its condition (financial or otherwise) and of any litigation or other proceedings of any nature whatsoever being threatened or initiated against the Issuer which may materially and adversely affect the ability of the Issuer to perform any of its obligations under any of the transaction documents;
- (v) the Issuer shall promptly give notice to the Trustee and the Rating Agencies of the occurrence of any Event of Default or any potential Event of Default forthwith upon becoming aware thereof, and it shall take all reasonable steps and/or such other steps as may reasonably be requested by the Trustee to remedy and/or mitigate the effect of the Event of Default or the Potential Event of Default;
- (vi) any other covenants as advised by the Legal Counsel of the JLAs and mutually agreed between the JLAs and the Issuer.

Positive Covenants:

Standard undertakings (subject to exceptions and compliance periods to be agreed to between the parties during documentation) for a facility of this nature including but not limited to:

- (i) the Issuer shall maintain in full force and effect all relevant authorisations, consents, rights, licences, approvals and permits and will promptly obtain any further authorisations, consents, rights, licences, approvals and permits which is or may become necessary;
- (ii) the Issuer shall at all times on demand execute all such further documents and do all such further acts reasonably necessary at any time or times to give further effect to the terms and conditions of the transaction documents;

- (iii) the Issuer shall exercise reasonable diligence in carrying out its business and affairs in a proper and efficient manner and in accordance with sound financial and commercial standards and practices;
- (iv) the Issuer shall promptly perform and carry out all its obligations under all the transaction documents and ensure that it shall immediately notify the Trustee in the event that the Issuer is unable to fulfil or comply with any of the provisions of the transaction documents;
- (v) the Issuer shall prepare its financial statements on a basis consistently applied in accordance with approved accounting standards in Malaysia and shall disclose or provide against all liabilities (actual or contingent) of the Issuer;
- (vi) the Issuer shall promptly comply with all applicable laws including the provisions of the SCA and/or the notes, circulars, conditions or guidelines issued by SC from time to time;
- (vii) any other covenants as may be advised by the legal counsel of the JLAs and to be mutually agreed between the Issuer and the JLAs.

Negative Covenants:

Standard undertakings (subject to exceptions and compliance periods to be agreed to between the parties during documentation) for a facility of this nature including but not limited to:

- (i) save in the ordinary course of its business or in connection with the raising of funds in accordance with Syariah principles, under the terms of which the Issuer has the right to acquire back any undertakings or assets disposed, the Issuer shall not dispose of the whole or a material part of its undertakings or assets;

- (ii) the Issuer shall not use the proceeds of the Programmes except for the purposes set out herein;
- (iii) the Issuer shall not enter into a transaction whether directly or indirectly with interested persons (including a director, substantial shareholder or persons connected with them) unless such transaction shall be on terms that are no less favourable to the Issuer than those which could have been obtained in a comparable transaction from persons who are not interested persons; and
- (iv) any other covenants as may be advised by the legal counsel of the JLAs and to be mutually agreed between the Issuer and the JLAs.

Redemption	Unless previously redeemed or purchased and cancelled, the Notes will be redeemed by the Issuer at 100% of their nominal value on their respective maturity dates or earlier if early redemption is permitted or provided for.
Repurchase and Cancellation	The Issuer may at any time purchase the Notes at any price in the open market or by private treaty and these repurchased Notes shall be cancelled.
Transferability	The Notes are transferable but subject to the Selling Restrictions described above.
Compensation ("Ta'widh")	There will be no provision in the documentation relating to the Notes for compensation to be paid on any overdue payments of any amounts due under the Notes.
Taxation	All payments by the Issuer shall be made without withholding or deductions for or on account of any present or future tax, duty or charge of whatsoever nature imposed or levied by or on behalf of Malaysia or any other applicable jurisdictions, or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In the event of any withholding or deduction required by law, the Issuer shall

not be required to make payment of any additional amount on account of such withholding or deduction.

Governing Laws

Laws of Malaysia

Jurisdiction

The Issuer shall unconditionally and irrevocably submit to the non-exclusive jurisdictions of the courts of Malaysia.

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