

ISLAMIC COMMERCIAL PAPERS PROGRAMME OF RM3.0 BILLION IN NOMINAL VALUE BASED ON THE SHARIAH PRINCIPLE OF WAKALAH BI AL-ISTITHMAR FOR THE ISSUANCE OF ISLAMIC COMMERCIAL PAPERS

Other terms and conditions

- (a) **Utilisation of Proceeds** : The proceeds raised from the issuances of the Sukuk Wakalah shall be utilised by the Issuer for the following Shariah-compliant purposes:
- (i) to finance the Issuer's working capital, general banking purposes and other corporate purposes;
 - (ii) to refinance any existing financing of the Issuer;
 - (iii) to finance the redemption of any outstanding Sukuk Wakalah issued under the Sukuk Wakalah Programme; and
 - (iv) to defray all fees, expenses, costs and all other amounts payable in relation to the establishment of the Sukuk Wakalah Programme.
- For avoidance of doubt, the utilisation of the Sukuk Wakalah proceeds shall at all times be for Shariah-compliant purposes only.
- (b) **Status** : The Sukuk Wakalah will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer ranking *pari passu* without any preference amongst themselves and *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, except those preferred by law.
- (c) **Tenure of the Sukuk Wakalah** : Each issuance of the Sukuk Wakalah shall have a tenure of at least one (1) month and up to twelve (12) months from the issue date, as the Issuer may select, provided always that the maturity of each issuance of the Sukuk Wakalah does not extend beyond the tenure of the Sukuk Wakalah Programme.
- (d) **Form and Denomination** : **Form:**
- The Sukuk Wakalah shall be issued in accordance with the:
- (i) Operational Procedures for Securities Services and Operational Procedures for Malaysian Ringgit Settlement in the Real Time Electronic Transfer of Funds and Securities System or its successor-in-title or successor in such capacity ("**BNM Procedures**"); and

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- (ii) Participation Rules for Payment and Securities Services issued by BNM or its successor-in-title or successor in such capacity ("**BNM Rules**").

BNM Procedures and BNM Rules are collectively referred to as "**BNM Rules and Procedures**" as amended and/or substituted from time to time.

Each of the Sukuk Wakalah shall be represented by a global certificate (exchangeable for definitive certificates on the occurrence of certain limited events). The global certificate shall be deposited with BNM and shall be in bearer form.

Denomination:

The denomination of the Sukuk Wakalah shall be RM1,000.00 or in multiples of RM1,000.00 thereof at the time of issuance.

- (e) **Issue Price** : The Sukuk Wakalah shall be issued at a discount to the nominal value without any periodic distribution. The issue price shall be calculated in accordance with the BNM Rules and Procedures.
- (f) **Profit frequency** : Not applicable as the Sukuk Wakalah will be issued at a discount to its nominal value without any periodic distribution.
- (g) **Profit basis** : Not applicable as the Sukuk Wakalah will be issued at a discount to its nominal value without any periodic distribution.
- (h) **Profit rate** : Not applicable as the Sukuk Wakalah will be issued at a discount to its nominal value without any periodic distribution.
- (i) **Identified asset or Trust asset** : **Identified Asset:**

The "**Commodities**" to be transacted under the Commodity Murabahah Investment portfolio shall be Shariah-compliant commodities, which include but not limited to crude palm oil or such other acceptable commodities (excluding ribawi items in the category of medium of exchange such as currency, gold and silver) which are provided through the Bursa Suq Al-Sila' commodity trading platform or such other commodity trading platforms acceptable to the Shariah Adviser which will be identified from time to time, at or around the time of issuance of the Sukuk Wakalah.

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Trust Assets:

The “**Trust Assets**” shall comprise:

- (i) the Sukuk Proceeds;
- (ii) the Wakalah Investments (comprising the Shariah-compliant Business and the Commodity Murabahah Investment); and
- (iii) the rights, title, interest, entitlement and benefit in, to and under the Transaction Documents.

- (j) **Purchase and selling price or rental, where applicable – compliance with asset pricing requirements** : **Commodity Purchase Price:**

In relation to Commodity Murabahah Investment, the Commodity Purchase Price is a price equivalent to such remaining Sukuk Proceeds of the relevant Sukuk Wakalah after investment into the Shariah-compliant Business. The Commodity Purchase Price shall be determined prior to the issuance of the Sukuk Wakalah and shall be in accordance with the asset pricing requirements stipulated under the ICMPs Guidelines.

Deferred Sale Price:

In relation to Commodity Murabahah Investment, the Deferred Sale Price is a price equivalent to the Commodity Purchase Price plus the profit margin. For the avoidance of doubt, the Deferred Sale Price shall be an amount equal to the nominal value of the relevant Sukuk Wakalah. The Deferred Sale Price shall be determined prior to the issuance of the Sukuk Wakalah.

- (k) **Transaction Documents** : The transaction documents (“**Transaction Documents**”) shall include but are not limited to the following:
- (i) the Programme Agreement;
 - (ii) the Trust Deed (“**Trust Deed**”);
 - (iii) the Security Lodgement Form;
 - (iv) the Islamic agreements in relation to the underlying transaction of the Sukuk Wakalah Programme;

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(v) the Sukuk Wakalah represented by the global certificates or the definitive certificates; and

(vi) any other relevant documents to be executed in connection with the Sukuk Wakalah Programme,

and includes any amendments, variations and/or supplementals made or entered into from time to time.

Any references to the “**Transaction Documents**” shall mean each or any one of them.

(l) **Taxation** : All payments by the Issuer shall be made free and clear of, and without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed 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. The Issuer shall not be required to gross up in connection with such withholding or deductions.

(m) **Jurisdiction** : The Issuer shall irrevocably and unconditionally submit to the exclusive jurisdiction of the courts of Malaysia.

(n) **Sukuk Trustee’s Reimbursement Account** : The Issuer shall, or the Sukuk Trustee shall on behalf of the Issuer, set up and maintain a Shariah-compliant account with an Islamic financial institution to be named the “*Sukuk Trustee’s Reimbursement Account for Sukukholders’ Actions*” for the Sukuk Wakalah (the “**Sukuk Trustee’s Reimbursement Account**”) into which a sum of RM100,000.00 is to be deposited and which shall be maintained at all times throughout the tenure of the Sukuk Wakalah Programme.

The Sukuk Trustee’s Reimbursement Account shall be operated solely by the Sukuk Trustee and the monies therein shall only be used strictly by the Sukuk Trustee in carrying out its duties in relation to the occurrence or declaration of a Dissolution Event or enforcement of any rights and remedies of the Sukuk Trustee under the Transaction Documents.

The monies in the Sukuk Trustee’s Reimbursement Account may be invested in the manner provided in the Trust Deed, with profit from the investment to accrue to the Issuer. The monies in the Sukuk Trustee’s Reimbursement Account shall be returned to the Issuer upon the expiry, termination or

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cancellation of the Sukuk Wakalah Programme.

- (o) Cost and Expenses** : All legal fees, stamp duties (if any) and reasonable expenses incurred in connection with the Sukuk Wakalah Programme, including professional fees and fees payable to the SC, where applicable, shall be for the account of the Issuer.