

- PTC
- INTEREST/COUPON (%)

APPENDIX 1:

*Principal Terms and Conditions of the Senior Islamic MTNs
Facility*

(Information required pursuant to paragraph 4.01 of the Guidelines on the Offering of Islamic Securities issued on 26 July 2004)

BACKGROUND INFORMATION

(a) Issuer	
(i) Name	Jimah Energy Ventures Sdn Bhd (“JEV” or the “Issuer”)
(ii) Address	Level 13, Menara Milenium Jalan Damanlela Pusat Bandar Damansara 50490 Kuala Lumpur
(iii) Business registration no.	630120-H
(iv) Date/ place of incorporation	2 October 2003/ Malaysia
(v) Date of listing (in case of a public listed company)	Not applicable
(vi) Status:	
- resident/ non-resident controlled company	Resident controlled company
- Bumiputera/ non-Bumiputera controlled company	Bumiputera controlled company
(vii) Principal activities	The principal activities of JEV are to design, construct, operate and maintain electricity generating facilities and to carry on the business of generating, supplying, distribution and transmitting electrical power, making available and selling generating capacity.
(viii) Board of directors	As at 14 February 2005, the composition of the Board of Directors of JEV is as follows:- <ol style="list-style-type: none"> 1. Y.A.M. Tunku Naquiyuddin Ibni Tuanku Ja’afar. 2. Zulkifli Bin Ibrahim. 3. YM Tunku Datuk Mudzaffar Bin Tunku Mustapha. 4. Y.A.M. Tunku Imran Ibni Tuanku Ja’afar. 5. Johari Kamil @ Intan Juhari Bin Ibrahim. 6. Kamarul Ariffin bin Zainal.

BACKGROUND INFORMATION

- (ix) Structure of shareholdings and names of shareholders or, in the case of a public company, names of all substantial shareholders

As at 14 February 2005, the shareholders of JEV are as follows:-

Shareholders	Shareholding	
	(No. of Shares)	(%)
Jimah Energy Ventures Holdings Sdn Bhd (“JEVH”)	1,000,000	100

- (x) Authorised and paid-up capital

As at 14 February 2005, the authorised and paid up share capital of JEV are as follows:-

	No. of Shares	Par value (RM)	Total (RM)
Authorised share capital			
Ordinary Shares	1,000,000	1.00	1,000,000
Issued and full paid up			
Ordinary Shares	1,000,000	1.00	1,000,000

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

- | | |
|--|---|
| (i) Joint Principal adviser(s)/ Joint Lead arranger(s) | 1. AmMerchant Bank Berhad (“AmMerchant”)
2. RHB Sakura Merchant Bankers Berhad (“RHB Sakura”)
3. Malaysian International Merchant Bankers Berhad (“MIMB”)
4. Bank Muamalat Malaysia Berhad (“BMMB”) |
| (ii) Arranger(s) | Not applicable |
| (iii) Valuers | Not applicable |
| (iv) Solicitors | Messrs. Adnan Sundra & Low |
| (v) Financial adviser | Not applicable |
| (vi) Technical adviser | <u>Independent Consulting Engineer (“ICE”)</u>
SLP Perunding Sdn Bhd and Burns & McDonnell International

The role of the ICE is to advise on all technical aspects of the Project and to monitor and provide progress reports in relation to the Project on a periodical basis. |
| (vii) Guarantor | Not applicable |
| (viii) Trustee | Mayban Trustees Berhad |
| (ix) Facility agent | AmMerchant |
| (x) Primary Subscriber(s) and amount subscribed (where applicable) | The primary subscribers for the Senior Islamic MTNs and their respective subscription amount are as follows: |

Financial Institution	Amount Subscribed (up to RM' Million)
AmMerchant	1,477
RHB Sakura	1,477
MIMB	1,477
BMMB	416
	<u>4,847</u>

The Primary Subscribers above have agreed to fully subscribe to the Senior Islamic MTNs at the relevant yield to maturity (“YTM”) / profit rates subject to a minimum rating of AA₃ at the time of first issuance and

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	the relevant YTM / profit rates are valid for issuance of Tranche 1 of the Senior Islamic MTNs on or before 29 April 2005 provided always that the Joint Lead Arrangers shall have the right, at the sole election of the Joint Lead Arrangers, to extend the validity of the relevant YTM / profit rates for a period of up to 45 days after 29 April 2005.
(xi) Underwriter(s) and amount underwritten	Not applicable
(xii) Syariah adviser	BMMB
(xiii) Central depository	Bank Negara Malaysia (“BNM”)
(xiv) Paying agent	BNM
(xv) Reporting accountant	Messrs. KPMG Chartered Accountants
(xvi) Others (please specify)	<ol style="list-style-type: none"> 1. <u>Lead Arranger for BNM, Security Agent, Monitoring Agent, Calculation Agent and Project Agent:</u> AmMerchant The role of the Security Agent is to manage and monitor the security under the Long Term Financing Facilities. The role of the Monitoring Agent is to manage and monitor the Designated Accounts under the Long Term Financing Facilities. The role of the Calculation Agent is to calculate and monitor the financial ratios under the Long Term Financing Facilities and calculate the rebate on the Senior Islamic Floating Rate MTNs and compensation payable, if any, on the Senior Islamic MTNs. The role of the Project Agent is to monitor the Project on a periodical basis. 2. <u>Insurance Consultants</u> Sterling Insurance Brokers Sdn Bhd The role of the Insurance Consultants is to advise on all aspects of insurance in relation to the Project. 4. <u>Solicitors to the Issuer</u> Zaid Ibrahim & Co

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(b)	Islamic principle used	Istisna’
(c)	Facility description	<p>The Senior Islamic MTNs shall be issued under an Islamic medium term notes issuance facility in accordance with the Syariah principle of Istisna’ whereby the Issuer shall enter into an Istisna’ sale agreement with the relevant Primary Subscribers under which the Primary Subscribers agree to construct and deliver to the Issuer the said Identified assets in consideration of the Istisna’ Sale Price (as defined herein), which is equivalent to the aggregate of the Istisna’ Purchase Price (as defined herein) and the profit thereon. Delivery of the Identified assets to the Issuer will take place upon the relevant Primary Subscribers taking delivery of the same under the Istisna’ purchase agreement. The Istisna’ Sale Price will be paid according to an agreed payment schedule.</p> <p>Immediately thereafter, the Issuer and relevant Primary Subscribers shall enter into an Istisna’ purchase agreement under which the Issuer agrees to construct and deliver to the relevant Primary Subscribers the Identified assets in consideration of the Istisna’ Purchase Price. The Istisna’ Purchase Price shall be disbursed to the Issuer in one lump sum.</p> <p>The Senior Islamic MTNs issued by the Issuer is evidence of the Istisna’ Sale Price payable by the Issuer under the relevant Istisna’ sale agreement.</p> <p>Each issuance of a tranche of the Senior Islamic MTNs under the Senior Islamic MTNs Facility shall involve a separate set of Istisna’ sale and Istisna’ purchase agreements.</p>
(d)	Issue size (RM)	<p>The Islamic medium term notes of up to the nominal value of RM4,847.0 million issued pursuant to the Senior Islamic MTNs Facility comprising:</p> <ul style="list-style-type: none"> <li data-bbox="738 1688 1457 1787">(a) Islamic fixed rate medium term notes of up to the nominal value of RM4,190.0 million (“Senior Islamic Fixed Rate MTNs”); and <li data-bbox="738 1823 1457 1921">(b) Islamic floating rate medium term notes of up to the nominal value of RM657.0 million (“Senior Islamic Floating Rate MTNs”).
(e)	Issue price	The Senior Islamic MTNs shall be issued at par.

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(f)	Tenor of the facility/ issue	<u>Tenure of the Senior Islamic MTNs Facility (“Tenure”)</u> Up to twenty (20) years from the date of Financial Close.
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Maturity of the Senior Islamic MTNs

More than one (1) year and up to twenty (20) years provided that all the Senior Islamic MTNs shall mature prior to the expiry of the Tenure.

The issue date of each subsequent Tranche shall be six (6) months after the issue date of the immediate previous Tranche, i.e. issue date of Tranche 2 shall be six (6) months after the issue date of Tranche 1 and the issue dates of the remaining Tranches shall follow accordingly. No Senior Islamic MTN shall be issued after the relevant issue date for the Tranche in which such Senior Islamic MTN belongs and the availability for issue of such Senior Islamic MTN shall thereafter be cancelled.

1. Senior Islamic Fixed Rate MTNs

The tenor for each series of the Senior Islamic Fixed Rate MTNs are as follows:

Tranche 1

Series	Nominal Amount (RM' million)	Tenor (years)
Serial - 1	160.0	8.0
Serial - 2	150.0	8.5
Serial - 3	110.0	9.0
Serial - 4	110.0	9.5
Serial - 5	100.0	10.0
Serial - 6	90.0	10.5
Serial - 7	80.0	11.0
Serial - 8	70.0	11.5
Serial - 9	30.0	12.0
Serial - 10	30.0	12.5
		930.0

Tranche 2

Series	Nominal Amount (RM' million)	Tenor (years)
Serial - 1	60.0	8.5

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Serial - 2	50.0	9.0
Serial - 3	90.0	9.5
Serial - 4	80.0	10.0
Serial - 5	40.0	10.5
Serial - 6	40.0	11.0
Serial - 7	30.0	11.5
Serial - 8	30.0	12.0
Serial - 9	30.0	12.5
Serial - 10	30.0	13.0
	<u>480.0</u>	

Tranche 3

Series	Nominal Amount (RM' million)	Tenor (years)
Serial - 1	80.0	10.0
Serial - 2	80.0	10.5
Serial - 3	40.0	11.0
Serial - 4	40.0	11.5
Serial - 5	20.0	12.0
Serial - 6	20.0	12.5
Serial - 7	20.0	13.0
Serial - 8	20.0	13.5
Serial - 9	30.0	14.0
Serial - 10	30.0	14.5
	<u>380.0</u>	

Tranche 4

Series	Nominal	Tenor
Serial - 1	120.0	10.5
Serial - 2	110.0	11.0
Serial - 3	80.0	11.5
Serial - 4	80.0	12.0
Serial - 5	50.0	12.5
Serial - 6	50.0	13.0
Serial - 7	50.0	13.5
Serial - 8	50.0	14.0
Serial - 9	80.0	14.5
Serial - 10	90.0	15.0

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Serial - 10	90.0	15.0
	<u>760.0</u>	

Tranche 5

Series	Nominal Amount (RM' million)	Tenor (years)
Serial - 1	90.0	11.0
Serial - 2	90.0	11.5
Serial - 3	90.0	12.0
Serial - 4	90.0	12.5
Serial - 5	90.0	13.0
Serial - 6	90.0	13.5
Serial - 7	90.0	14.0
Serial - 8	90.0	14.5
Serial - 9	30.0	15.0
Serial - 10	<u>30.0</u>	15.5
	780.0	

Tranche 6

Series	Nominal	Tenor
Serial - 1	70.0	11.5
Serial - 2	70.0	12.0
Serial - 3	60.0	12.5
Serial - 4	60.0	13.0
Serial - 5	60.0	13.5
Serial - 6	60.0	14.0
Serial - 7	60.0	14.5
Serial - 8	60.0	15.0
Serial - 9	60.0	15.5
Serial - 10	<u>60.0</u>	16.0
	620.0	

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Tranche 7

Series	Nominal Amount (RM' million)	Tenor (years)
Serial - 1	20.0	12.0
Serial - 2	20.0	12.5
Serial - 3	20.0	13.0
Serial - 4	20.0	13.5
Serial - 5	20.0	14.0
Serial - 6	20.0	14.5
Serial - 7	20.0	15.0
Serial - 8	20.0	15.5
Serial - 9	40.0	16.0
Serial - 10	40.0	16.5
	240.0	

2. Senior Islamic Floating Rate MTNs

The tenor for each series of the Senior Islamic Floating Rate MTNs are as follows:

Tranche 8

Series	Nominal Amount (RM' million)	Tenor (years)
Serial - 1	70.0	1.5
Serial - 2	70.0	2.0
Serial - 3	60.0	2.5
Serial - 4	60.0	3.0
Serial - 5	60.0	3.5
Serial - 6	70.0	4.0
	390.0	

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Tranche 9

Series	Nominal Amount (RM' million)	Tenor (years)
Serial - 1	50.0	1.5
Serial - 2	50.0	2.0
Serial - 3	50.0	2.5
Serial - 4	50.0	3.0
Serial - 5	67.0	3.5
	267.0	

(g) Coupon/ profit or equivalent rate (%)
(please specify)

Based on the indicative tranches provided to the Joint Lead Arrangers, the indicative profit rates for the Senior Islamic MTNs shall be as set out below subject to the following:-

- (i) a minimum rating of AA₃ being accorded to the Senior Islamic MTNs at the time of first issuance.
- (ii) The indicative profit rates stated below are valid so long as the issue date of Tranche 1 shall be on or before 29 April 2005 provided always that the Joint Lead Arrangers shall have the right, at the sole election of the Joint Lead Arrangers, to extend the validity of the indicative profit rates for a period of up to 45 days after 29 April 2005.

As such, the indicative profit rates may be revised upon expiry of the validity date or if the said rating is not obtained, the SC will be notified accordingly upon issuance of the Senior Islamic MTNs.

1. Senior Islamic Fixed Rate MTNs

The indicative profit rates for each series of the Senior Islamic Fixed Rate MTNs are as follows:

Tranche 1

Series	Nominal Amount (RM' million)	Indicative Profit Rates (% p.a.)
Serial - 1	160.0	7.25
Serial - 2	150.0	7.35
Serial - 3	110.0	7.50
Serial - 4	110.0	7.65
Serial - 5	100.0	7.70

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Serial - 6	90.0	7.80
Serial - 7	80.0	7.90
Serial - 8	70.0	8.00
Serial - 9	30.0	8.10
Serial - 10	30.0	8.20
	<u>930.0</u>	

Tranche 2

Series	Nominal Amount (RM' million)	Indicative Profit Rates (% p.a.)
Serial - 1	60.0	7.80
Serial - 2	50.0	7.85
Serial - 3	90.0	7.90
Serial - 4	80.0	8.00
Serial - 5	40.0	8.10
Serial - 6	40.0	8.20
Serial - 7	30.0	8.30
Serial - 8	30.0	8.40
Serial - 9	30.0	8.50
Serial - 10	30.0	8.60
	<u>480.0</u>	

Tranche 3

Series	Nominal Amount (RM' million)	Indicative Profit Rates (% p.a.)
Serial - 1	80.0	8.20
Serial - 2	80.0	8.30
Serial - 3	40.0	8.40
Serial - 4	40.0	8.50
Serial - 5	20.0	8.60
Serial - 6	20.0	8.70
Serial - 7	20.0	8.80
Serial - 8	20.0	8.90
Serial - 9	30.0	9.00
Serial - 10	30.0	9.05
	<u>380.0</u>	

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Tranche 4

Series	Nominal Amount (RM' million)	Indicative Profit Rates (% p.a.)
Serial - 1	120.0	8.55
Serial - 2	110.0	8.65
Serial - 3	80.0	8.75
Serial - 4	80.0	8.85
Serial - 5	50.0	8.95
Serial - 6	50.0	9.05
Serial - 7	50.0	9.15
Serial - 8	50.0	9.20
Serial - 9	80.0	9.25
Serial - 10	90.0	9.30
	<u>760.0</u>	

Tranche 5

Series	Nominal Amount (RM' million)	Indicative Profit Rates (% p.a.)
Serial - 1	90.0	8.85
Serial - 2	90.0	8.95
Serial - 3	90.0	9.05
Serial - 4	90.0	9.20
Serial - 5	90.0	9.30
Serial - 6	90.0	9.35
Serial - 7	90.0	9.35
Serial - 8	90.0	9.40
Serial - 9	30.0	9.45
Serial - 10	30.0	9.50
	<u>780.0</u>	

Tranche 6

Series	Nominal Amount (RM' million)	Indicative Profit Rates (% p.a.)
Serial - 1	70.0	9.15
Serial - 2	70.0	9.25
Serial - 3	60.0	9.35
Serial - 4	60.0	9.40
Serial - 5	60.0	9.40

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Serial - 5	60.0	9.40
Serial - 6	60.0	9.45
Serial - 7	60.0	9.50
Serial - 8	60.0	9.55
Serial - 9	60.0	9.60
Serial - 10	60.0	9.65
	<u>620.0</u>	

Tranche 7

Series	Nominal Amount (RM' million)	Indicative Profit Rates (% p.a.)
Serial - 1	20.0	9.40
Serial - 2	20.0	9.45
Serial - 3	20.0	9.50
Serial - 4	20.0	9.55
Serial - 5	20.0	9.60
Serial - 6	20.0	9.65
Serial - 7	20.0	9.70
Serial - 8	20.0	9.75
Serial - 9	40.0	9.80
Serial - 10	40.0	9.85
	<u>240.0</u>	

2. Senior Islamic Floating Rate MTNs

The indicative profit rates for each series of the Senior Islamic Floating Rate MTNs are as follows:

Tranche 8

Series	Nominal Amount (RM' million)	Indicative Profit Rates (% p.a.)
Serial - 1	70.0	6-month KLIBOR + 1.50
Serial - 2	70.0	6-month KLIBOR + 1.50
Serial - 3	60.0	6-month KLIBOR + 1.50
Serial - 4	60.0	6-month KLIBOR + 1.50
Serial - 5	60.0	6-month KLIBOR + 1.50
Serial - 6	70.0	6-month KLIBOR + 1.75
	<u>390.0</u>	

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Tranche 9

Series	Nominal Amount (RM' million)	Indicative Profit Rates (% p.a.)
Serial - 1	50.0	6-month KLIBOR + 1.50
Serial - 2	50.0	6-month KLIBOR + 1.50
Serial - 3	50.0	6-month KLIBOR + 1.50
Serial - 4	50.0	6-month KLIBOR + 1.50
Serial - 5	67.0	6-month KLIBOR + 1.50
	267.0	

Provided always that the indicative profit rates do not exceed the ceiling profit rate to be determined, which shall be fixed throughout the Tenure (referred to in item (h) below). The SC will be notified accordingly upon issuance of the Senior Islamic MTNs.

(h) Coupon/ profit payment frequency and basis

Coupon/ profit payment frequency

Payable semi-annually in arrears with the first profit payment commencing six (6) months from the issuance date of the respective series of the Senior Islamic MTNs, with the last profit payment for each series of the Senior Islamic MTNs to be made on the respective maturity dates of each series.

All profit and principal payments for each Tranche shall be co-terminus, in that, the first profit payment date in relation to a Tranche subsequent to the Tranche 1 shall fall on the next immediate profit payment date of the Tranche 1 (or if the Tranche 1 has been repaid, the next outstanding Tranche).

Senior Islamic Floating Rate MTNs

Effective Profit Rate Resetting Date

In relation to the Senior Islamic Floating Rate MTNs, each Istisna' sale agreement, the Identified assets will be sold by the Primary Subscribers to the Issuer at a ceiling profit rate to be determined. However, under the terms of the Senior Islamic Floating Rate MTNs, the holders thereof shall grant Ibra'/ Rebate on the amount payable under the Secondary Senior Islamic Floating Rate MTNs, which represent the profit portion of the initial Istisna' Sale Price. The Ibra'/ Rebate shall be determined conclusively by the Calculation Agent on the Ibra'/ Rebate Fixing Date and the Issuer and the holders of the Senior Islamic Floating Rate MTNs shall be bound by such determination (save in the case of manifest error).

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“**Ibra’/ Rebate**” shall be calculated based on the following formula:-

$$\text{Total Ibra'} = \Sigma (\text{Initial Profit Portion}) \\ \text{less } \Sigma (\text{Effective Profit Portion})$$

“**Ibra’/ Rebate Fixing Date**” means the date falling three (3) Business Days prior to each relevant profit payment dates.

“**Initial Profit Portion**” means the profit calculated based on the determined ceiling profit rate.

“**Effective Profit Portion**” means the profit payable by the Issuer on the relevant profit payment dates.

Coupon/ profit payment basis

Actual / Actual

(i) Yield to maturity (%)

Based on the indicative tranches provided to the Joint Lead Arrangers, the indicative YTM for the Senior Islamic MTNs shall be as set out below subject to the following:-

- (i) a minimum rating of AA₃ being accorded to the Senior Islamic MTNs at the time of first issuance.
- (ii) The indicative YTM stated below are valid so long as the issue date of Tranche 1 shall be on or before 29 April 2005 provided always that the Joint Lead Arrangers shall have the right, at the sole election of the Joint Lead Arrangers, to extend the validity of the indicative profit rates for a period of up to 45 days after 29 April 2005.

As such, the indicative YTM may be revised upon expiry of the validity date or if the said rating is not obtained, the SC will be notified accordingly upon issuance of the Senior Islamic MTNs.

1. Senior Islamic Fixed Rate MTNs

The indicative YTM for each series of the Senior Islamic Fixed Rate MTNs are as follows:

Tranche 1

Series	Nominal	Indicative
Serial - 1	160.0	7.25
Serial - 2	150.0	7.35
Serial - 3	110.0	7.50

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Serial - 3	110.0	7.50
Serial - 4	110.0	7.65
Serial - 5	100.0	7.70
Serial - 6	90.0	7.80
Serial - 7	80.0	7.90
Serial - 8	70.0	8.00
Serial - 9	30.0	8.10
Serial - 10	30.0	8.20
	<u>930.0</u>	

Tranche 2

Series	Nominal	Indicative
Serial - 1	60.0	7.80
Serial - 2	50.0	7.85
Serial - 3	90.0	7.90
Serial - 4	80.0	8.00
Serial - 5	40.0	8.10
Serial - 6	40.0	8.20
Serial - 7	30.0	8.30
Serial - 8	30.0	8.40
Serial - 9	30.0	8.50
Serial - 10	30.0	8.60
	<u>480.0</u>	

Series	Nominal	Indicative
Serial - 1	80.0	8.20
Serial - 2	80.0	8.30
Serial - 3	40.0	8.40
Serial - 4	40.0	8.50
Serial - 5	20.0	8.60
Serial - 6	20.0	8.70
Serial - 7	20.0	8.80
Serial - 8	20.0	8.90
Serial - 9	30.0	9.00
Serial - 10	30.0	9.05

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Serial - 10	30.0	9.05
	<u>380.0</u>	

Tranche 4

Series	Nominal Amount (RM' million)	Indicative YTM's (% p.a.)
Serial - 1	120.0	8.55
Serial - 2	110.0	8.65
Serial - 3	80.0	8.75
Serial - 4	80.0	8.85
Serial - 5	50.0	8.95
Serial - 6	50.0	9.05
Serial - 7	50.0	9.15
Serial - 8	50.0	9.20
Serial - 9	80.0	9.25
Serial - 10	90.0	9.30
	<u>760.0</u>	

Tranche 5

Series	Nominal Amount (RM' million)	Indicative YTM's (% p.a.)
Serial - 1	90.0	8.85
Serial - 2	90.0	8.95
Serial - 3	90.0	9.05
Serial - 4	90.0	9.20
Serial - 5	90.0	9.30
Serial - 6	90.0	9.35
Serial - 7	90.0	9.35
Serial - 8	90.0	9.40
Serial - 9	30.0	9.45
Serial - 10	30.0	9.50
	<u>780.0</u>	

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Tranche 6

Series	Nominal Amount (RM' million)	Indicative YTM's (% p.a.)
Serial - 1	70.0	9.15
Serial - 2	70.0	9.25
Serial - 3	60.0	9.35
Serial - 4	60.0	9.40
Serial - 5	60.0	9.40
Serial - 6	60.0	9.45
Serial - 7	60.0	9.50
Serial - 8	60.0	9.55
Serial - 9	60.0	9.60
Serial - 10	60.0	9.65
	620.0	

Tranche 7

Series	Nominal Amount (RM' million)	Indicative YTM's (% p.a.)
Serial - 1	20.0	9.40
Serial - 2	20.0	9.45
Serial - 3	20.0	9.50
Serial - 4	20.0	9.55
Serial - 5	20.0	9.60
Serial - 6	20.0	9.65
Serial - 7	20.0	9.70
Serial - 8	20.0	9.75
Serial - 9	40.0	9.80
Serial - 10	40.0	9.85
	240.0	

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2. Senior Islamic Floating Rate MTNs

The indicative YTM for each series of the Senior Islamic Floating Rate MTNs are as follows:

Tranche 8

Series	Nominal Amount (RM' million)	Indicative YTMs (% p.a.)
Serial - 1	70.0	6-month KLIBOR + 1.50
Serial - 2	70.0	6-month KLIBOR + 1.50
Serial - 3	60.0	6-month KLIBOR + 1.50
Serial - 4	60.0	6-month KLIBOR + 1.50
Serial - 5	60.0	6-month KLIBOR + 1.50
Serial - 6	70.0	6-month KLIBOR + 1.75
	390.0	

Tranche 9

Series	Nominal Amount (RM' million)	Indicative YTMs (% p.a.)
Serial - 1	50.0	6-month KLIBOR + 1.50
Serial - 2	50.0	6-month KLIBOR + 1.50
Serial - 3	50.0	6-month KLIBOR + 1.50
Serial - 4	50.0	6-month KLIBOR + 1.50
Serial - 5	67.0	6-month KLIBOR + 1.50
	267.0	

**(j) Security/ collateral
(if any)**

The Senior Islamic MTNs Facility shall be secured by the following security for the Long Term Financing Facilities which shall ranking pari passu as between the Senior Islamic MTNs holders and the issuing banks of the BG Facility /SBLC Facility:-

- (i) Assignment over the agreement to lease of the Project Land and upon alienation of and issue of title to the land in favour of Jalur Jernih Sdn Bhd, a first fixed charge over the lease of the Project Land. The title to the land is to be deposited with the Issuer under the terms of the lease, and the Issuer in turn shall allow the Security Agent to hold the same.

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In addition, the Issuer shall pledge its shares in Jalur Jernih Sdn Bhd upon its acquisition thereof.

Further, in the event the Issuer acquires the Project Land from Jalur Jernih Sdn Bhd, a first party first legal charge over the Project Land.

- (ii) A first ranking debenture comprising fixed and floating charges over all present and future assets of the Issuer but there shall be a release therefrom of: (a) any duly replaced parts of the Plant and the Interconnection Facilities to the operations and maintenance operator (“O&M Operator”) pursuant to the O&M Agreement and (b) the TWA Works to TNB pursuant to the TWA, at the time when the release of JEV’s title to such asset is required to occur under the relevant Project Documents;
- (iii) Assignment (by way of security) of:-
 - (a) all the Issuer’s rights, title and interest under the Project Documents;
 - (b) applicable insurance relating to the Project and the “Keyman Life Insurance” in respect of the key personnel referred to in item (z)(12)(xxii);
 - (c) all permits and licences (to the extent that the same are assignable and no further consent is required for such assignment);
 - (d) liquidated damages; and
 - (e) performance bonds/ guarantees save and except for any bond/guarantee provided by a Coal Producer and the bank guarantee to be procured by JEVH referred to in item (v)(B)(j) below;
- (iv) Charge and Assignment (by way of security) over all Designated Accounts.

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(k) Details on utilisation of proceeds

	Up to Amount (RM' Million)
(i) repay the obligations under the syndicated bridging finance facility of up to RM300.0 million which was raised for the Project prior to issuance of the Senior Islamic MTNs;	121.3
(ii) finance all costs associated with the site acquisition, development, design, construction, start-up and initial operations of the Project (including the acquisition of Jalur Jernih Sdn Bhd);	3,296.0
(iii) pay profits, fees, expenses, commissions and all other amounts payable under the Senior Islamic MTNs Facility, the BG Facility and the SBLC Facility prior to the COD of the Second Unit and the first profit payment after the COD of the Second Unit;	1,031.9
(iv) finance any other Project related costs, including consultant fees, insurance premiums and contingencies (including capital cost overruns, taxes and liquidated damages); and	337.8
(v) meet the working capital requirements of the Issuer in relation to the Project and the TWA Works and wayleaves save that in the case of the TWA Works and wayleaves, such proceeds shall, at all times, be first deposited into the TA, which shall be operated solely by the Monitoring Agent and limited to funding the cost of such part of the TWA Works and wayleaves which are to be	60.0

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delivered for the instalments/ payments due from TNB under the TWA and shall not exceed the aggregate of RM60 million provided always that the provisions in the EPC or any supplemental thereto in respect of the TWA Works and wayleaves are acceptable to the Joint Lead Arrangers.

4,847.0

Note: Any unutilised amount from any of the items (i) to (iv) above may be utilised within the purposes of items (i) to (iv) above.

**(I) Sinking fund
(if any)**

Senior Finance Service Reserve Account (“FSRA”)

The Issuer shall open and maintain the Syariah compliant FSRA with a licensed financial institution that is acceptable to the Security Agent.

- (i) Monitoring Agent is the sole signatory. However, upon occurrence of an Event of Default the Security Agent will then be the sole signatory of the FSRA;
- (ii) The Issuer shall establish a finance service reserve to meet the Minimum Required Balance.

The FSRA shall be built up progressively, with the first instalment commencing sixty (60) days after COD of the First Unit and shall reach the Minimum Required Balance six (6) months after COD of the Second Unit. Thereafter, the FSRA shall always be maintained at the Minimum Required Balance.

- (iii) The FSRA obligation of the Issuer as outlined in this clause can be met by the Issuer securing a letter of credit issued to it as procured by TNB under the PPA.
- (iv) The FSRA may be drawn by the Monitoring Agent to the extent that the funds, in accordance with the Priority of Cash Flow, are insufficient to fulfil the Issuer's scheduled payment and/or repayment obligations under the Long Term Financing Facilities.

For the avoidance of doubt, if the balance in the FSRA

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exceeds the Minimum Required Balance, such difference between the total in FSRA and the Minimum Required Balance shall be transferred to the PBA to be utilised in accordance with the Priority of Cash Flow as set out in item z(1)(ii)(iii).

The FSRA together with SIMEA, PBA, OA, TA, PGA and MRA as defined in Item (z)(1) are collectively referred to as “Designated Accounts”.

(m) Rating

* Credit rating assigned
(Please specify if this is an indicative rating)

AA₃ (Indicative)

* Name of rating agency

Rating Agency Malaysia Berhad (“RAM”).

(n) Form and denomination

Form

Each series of the Senior Islamic MTNs shall be represented by a global certificate issued in bearer form to be deposited with BNM, and is exchangeable for a definitive bearer form only in certain limited circumstances. No physical delivery of the Senior Islamic MTNs is permitted.

The Senior Islamic MTNs shall be issued in accordance with:-

- (i) 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
- (ii) the RENTAS Rules (i.e. the Rules on Scripless Securities under the Real Time Electronic Transfer of Funds and Securities system issued by BNM); and
- (iii) the FAST Rules (i.e. Rules on Fully Automated System for Issuing/ Tendering (“FAST”)).

or their replacement thereof applicable from time to time (collectively referred to as the “Codes of Conduct”).

The RENTAS Rules shall prevail to the extent of any inconsistency between the RENTAS Rules and the IPBM Code.

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Denomination

The denomination of the Senior Islamic MTNs shall be in multiples of RM1,000 at the time of issuance, subject to the FAST Rules, RENTAS Rules and other standard conditions including, without limitation, the following:-

- (i) a minimum issue size of RM5.0 million for each issue; and
- (ii) the issue notice shall be given to the Lead Arranger for BNM purposes at least seven (7) business days prior to and excluding the date of proposed issue; and
- (iii) any amount redeemed may not be re-issued.

(o)	Mode of Issue	The Senior Islamic MTNs will be issued on a bought deal basis made under the RENTAS Rules and reported on the FAST.
(p)	Selling restriction	<p>The Senior Islamic MTNs may not be offered or sold directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia other than to categories of persons specified under Section 4(6) of the Companies Act 1965 (as amended) of Malaysia, subject to any law, order, regulation or official directive of BNM, SC and/or any other regulatory authority from time to time.</p> <p>For the purchasers of the Senior Islamic MTNs who are non-residents as defined under the Exchange Control Act 1953, any payment for the purchase of the Senior Islamic MTNs must be made in foreign currency (other than a Restricted Currency) equivalent to the purchase price of the Senior Islamic MTNs or in Ringgit Malaysia drawn from an External Account (as defined under the Exchange Control Act 1953).</p>
(q)	Listing status	The Senior Islamic MTNs will not be listed on the Bursa Malaysia or any other stock exchange.
(r)	Minimum level of subscription (RM or %)	The Senior Islamic MTNs will be fully subscribed by the Primary Subscribers pursuant to a bought-deal arrangement.
(s)	Other regulatory approvals required in relation to the issue, offer or invitation and whether or not obtained (please specify)	Not applicable

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- | | | |
|-----|---|--|
| (t) | Identified assets | <p>Each issuance of a tranche of the Senior Islamic MTNs under the Senior Islamic MTNs Facility shall involve separate and distinct assets to be constructed as part of the Project. The list of the identified assets and the estimated value thereof is attached as Annexure I.</p> <p>The ascribed value for the Identified assets shall be in compliance with the SC’s Syariah Advisory Council Pricing Guidelines (i.e. Garis Panduan Penetapan Harga Aset Dalam Penerbitan Bon Islam) issued on 30/4/04 as may be replaced, substituted, amended or revised from time to time.</p> |
| (u) | Purchase and selling price/ rental
(where applicable) | <p><u>Selling Price</u>
 The Selling Price of each Istisna’ transaction shall be determined based on the Purchase Price and profit rate(s) to be agreed between the Issuer and the relevant Primary Subscribers prior to the sale of the Identified assets.</p> <p><u>Purchase Price</u>
 Up to RM4,847 million.</p> |
| (v) | Conditions precedent | <p>To include the following (all having to be in the form and substance acceptable to the Joint Lead Arrangers):-</p> <p style="margin-left: 40px;">A. <u>Main Documentation</u></p> <p style="margin-left: 80px;">(a) The Financing Documents (including but not limited to the trust deed, security documents and other relevant documentation relating to the Long Term Financing Facilities) and such other documents as may be advised by the Solicitors and agreed to by the Issuer have been signed and where applicable stamped and presented for registration with the relevant registries; and</p> <p style="margin-left: 80px;">(b) All relevant notices and acknowledgements (where applicable) and consents from the relevant counterparties to the Project Documents, where the same is required for the Issuer’s assignment of the Project Documents as security for the Long Term Financing Facilities shall have been made or received as the case may be.</p> |

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B. The Issuer

Receipt from the Issuer of:-

- (a) Certified true copies of the Certificate of Incorporation and the Memorandum and Articles of Association of the Issuer;
- (b) Certified true copies of the latest Forms 24 and 49 of the Issuer;
- (c) Certified true copies of the extracts from the board resolution(s) of the Issuer in form and substance satisfactory to the Joint Lead Arrangers, authorising, amongst others, the acceptance of the Long Term Financing Facilities, the execution of the Financing Documents and other documents as advised by the Solicitors and agreed to by the Issuer;
- (d) Certified true copies of all Project Documents and in the case of the TWA and any other supplemental documentation to the (1) EPC to provide for the TWA Works, and (2) the O&M Agreement, in form substance acceptable to the Joint Lead Arrangers;
- (e) Certified true copies of the generation licence from the Energy Commission, which shall have been issued to the Issuer on terms and conditions acceptable to the Joint Lead Arrangers together with documentary evidence satisfactory to the Joint Lead Arrangers that the conditions therein have been complied to the satisfaction of the Joint Lead Arrangers (other than conditions which can only be or which are only required to be fulfilled after Financial Close), and all other relevant and material licenses, permits and approvals which have been identified and advised by the Solicitors and agreed to by the Issuer prior to the signing of the Financing Documents;
- (f) A list of the Issuer’s authorised signatories and their respective specimen signatures;
- (g) A report of the relevant winding up search or, if the same is unavailable, the relevant

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statutory declaration of a director of the Issuer on its behalf;

- (h) A certified true copy of the executed Junior Debt agreement and the financing documents for the SPV Financing Facilities in form and substance acceptable to the Joint Lead Arrangers;
- (i) Documentary evidence in form and substance satisfactory to the Joint Lead Arrangers and duly certified by auditors that the Issuer’s shareholders’ equity contribution in the form of ordinary paid-up shares, preference shares, loan stocks and/or shareholders’ advances is at least Ringgit Five Million (RM5,000,000.00);
- (j) An irrevocable and unconditional undertaking to the Issuer from JEVH whereby JEVH will provide a bank guarantee of up to USD75 million to meet any approved variation orders beyond the budgeted contingency of RM93 million;

C. General

- (a) Receipt of approval from the SC and Syariah Adviser for issuance of the Senior Islamic MTNs, and where applicable, all other relevant authorities/approvals to secure the Long Term Financing Facilities;
- (b) The Joint Lead Arrangers shall have received a satisfactory legal opinion from the Solicitors confirming that:
 - (i) all the conditions precedent under the Junior Debt have been fulfilled other than the conditions precedent requiring that all the conditions precedent of (1) the Senior Islamic MTNs and (2) the Class A MTNs shall have been fulfilled; and
 - (ii) all the conditions precedent under the SPV Financing Facilities have been fulfilled other than, in relation to the Class A MTNs, the conditions precedent requiring that all the conditions precedent of (1) the Senior Islamic MTNs and (2) the Junior Debt shall have been fulfilled;

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- (c) Evidence that all the Designated Accounts have been opened and in accordance with the provisions of the Financing Documents;
- (d) An ICE acceptable to the Joint Lead Arrangers shall have been appointed;
- (e) Receipt of a written report from the ICE in form and substance satisfactory to the Joint Lead Arrangers confirming amongst others, the technical viability and the plant's ability to meet the initial capacity requirements of the PPA. In addition, the ICE shall also confirm the reasonableness of the Project costs and in particular that the quantum of contingencies is reasonable and appropriate to cover any potential cost overruns that may reasonably be incurred;
- (f) Receipt of a written report from the Insurance Consultant that the insurance cover obtained by the Issuer in relation to the Project is adequate and in compliance with the Issuer's obligations to insure under the Project Documents;
- (g) Confirmation from the Insurance Consultant that the Security Agent has been named as loss-payee in respect of such insurances to be assigned to the Security Agent;
- (h) The Joint Lead Arrangers shall have received a satisfactory legal opinion from the Solicitors to the Issuer addressed to them advising with respect to, amongst others, the legality, validity and enforceability of the Project Documents against the Issuer and all counter parties and confirming to the Joint Lead Arrangers that all the conditions precedents of the Project Documents (if applicable), other than the PPA, have been fulfilled to the extent that any have to be fulfilled prior to Financial Close and that the PPA has become unconditional;
- (i) The Joint Lead Arrangers shall have received a satisfactory legal opinion from the Solicitors addressed to them advising with respect to, amongst others, the legality, validity and enforceability of the

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- Financing Documents and a confirmation from the Solicitors addressed to the Joint Lead Arrangers confirming that all the conditions precedent thereto have been fulfilled or waived, as the case may be;
- (j) Receipt of a certified true copy of written environmental impact assessment (“EIA”) report in respect of the Project;
 - (k) Certification from the Issuer that there is no Event of Default subsisting at the date of such certification;
 - (l) The Senior Islamic MTNs shall have received a minimum long term rating of AA₃ from RAM or its equivalent from Malaysian Rating Corporation Berhad (“MARC”);
 - (m) An irrevocable and unconditional standing instruction in writing from the Issuer to the Facility Agent authorising the upfront deduction from the proceeds of the Senior Islamic MTNs before such proceeds are deposited into the SIMEA for payment of the arrangers’ fee, participation fees, Syariah Adviser’s fee, legal fees, stamp duties and commission, agency fees, fees payable to BNM and any other fees to be agreed between the Issuer and the Joint Lead Arrangers in relation to the Long Term Financing Facilities to the extent that the same are due and payable on or are to be settled before the issuance;
 - (n) the Class B MTNs having a minimum nominal value of RM200.0 million under the SPV Financing Facilities have been issued and the proceeds have been received by the SPV;
 - (o) written evidence that EPU has approved the Issuer to undertake the Project;;
 - (p) the qualified issue document of title to the Project Land in the name of Jalur Jernih Sdn Bhd shall have been deposited with the Security Agent and written evidence of the consent of the state authority for the creation of the lease shall have been deposited with the Security Agent;

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- (q) written evidence of consent from Jalur Jernih Sdn Bhd for the disposal of the Issuer's lease over the Project Land by Issuer for the purposes of the Istisna' sale and purchase in respect of the Senior Islamic MTNs;
- (r) original copy of the executed power of attorney pursuant to the Lease Agreement or where the same has been duly registered with the High Court, a stamped copy thereof bearing the power of attorney registration number, shall have been deposited with the Security Agent;
- (s) evidence that the performance bond for the O&M Agreement and any applicable payment guarantee under the EPC have been issued to the extent that the same is required under the relevant Project Document to be issued by Financial Close and as may be necessary to achieve NTP 1 (as defined in the EPC) by 31 January 2005;
- (t) the Issuer shall have achieved NTP 1 by 31 January 2005 and written evidence thereof shall have been received by the Joint Lead Arrangers;
- (u) a search has been conducted on each of: (i) the Issuer with the Companies Commission of Malaysia; and (ii) the qualified issue document of title to the Project Land at the relevant Land Office/Registry, and in each case, the Joint Lead Arrangers shall be satisfied that there is no subsisting claim, interest or encumbrance filed or registered on or against the Issuer or its assets or the Project Land that will affect the security interests of the Senior Islamic MTNs holders and the issuing banks of the BG Facility /SBLC Facility under the Financing Documents;
- (v) evidence that all conditions in EIA approval have been met, to the extent that the same is required to be met prior to Financial Close;
- (w) receipt of a letter from the Issuer to the Trustee identifying the key personnel

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occupying the offices of the Executive Director and the Finance Director of the Issuer;

- (x) such other conditions precedent as may be advised by the Solicitors and to be mutually agreed between the Joint Lead Arrangers and the Issuer.

(w) Representations and warranties

The following:-

- (i) the Issuer is a private limited company duly incorporated with limited liability under the laws of Malaysia and is validly existing;
- (ii) the Memorandum and Articles of Association of the Issuer incorporate provisions which authorise, and all necessary corporate action has been taken to authorise, and all authorisations of any governmental or other authority have been duly and unconditionally obtained and are in full force and effect which are required to authorise the Issuer to:
 - (a) own its assets,
 - (b) carry on its business as it is being conducted which, if not obtained, would have a Material Adverse Effect, and
 - (c) sign and deliver, and perform the transactions and obligations contemplated in the Transaction Documents (including but not limited to issuing the Senior Islamic MTNs and to perform its obligations specified therein and under the Senior Islamic MTNs in accordance with its terms),

save, in relation to the Project Documents, such corporate actions and authorisations shall relate to those, if they were not obtained, would have a Material Adverse Effect;

- (iii) neither the execution and delivery of the Transaction Documents nor the issue of the Senior Islamic MTNs nor the performance of any of the transactions contemplated in the Transaction Documents will:-
 - a) contravene or constitute a default under any provision contained in any agreement, instrument, law, judgement, order, licence, permit or consent by which the Issuer or

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- any of its assets is bound or affected and which in the case of the Project Documents, will have a Material Adverse Effect; or
- b) cause any limitation on the Issuer or the powers of its directors, whether imposed by or contained in its Memorandum and Articles of Association or in any other law, order, judgement, agreement, instrument or otherwise, to be exceeded;
- (iv) no step has been taken by the Issuer or, to the best of the Issuer’s knowledge, any of its shareholders nor has any legal proceeding including winding up proceeding been commenced, instituted or threatened for the dissolution or for the appointment of a receiver, receiver and manager, liquidator, judicial manager or such similar officer of the Issuer or any of its assets which, in the case of any proceeding undertaken by a party other than the Issuer, has not been suspended or set aside by the Issuer within thirty (30) days of such action coming to the knowledge of the Issuer;
- (v) no event has occurred which constitutes, or which with the giving of notice and/or the lapse of time and/or a relevant determination would constitute, a contravention of, or default under, any of the Transaction Documents, any agreement or instrument by which the Issuer or any of its assets is bound or affected, being a contravention or default which would have a Material Adverse Effect;
- (vi) no litigation, arbitration or administrative proceeding or claim which would by itself or together with any other such proceeding or claim have a Material Adverse Effect is presently in progress or pending or, to the best of the knowledge, information and belief of the Issuer, threatened against the Issuer or any of its assets and which has not been suspended, set aside, settled or had any defence entered in respect thereof by the Issuer within thirty (30) days of the service thereof on the Issuer;
- (vii) all necessary returns have been delivered by or on behalf of the Issuer to the relevant taxation authorities and the Issuer is not in default in the payment of any tax save and except for taxes

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- that are being contested in good faith and by appropriate means and it is not required under the applicable law to pay the taxes pending determination of the matter and an adequate reserve has been set aside with respect to taxes which are not disclosed in the Issuer's latest audited financial statements;
- (viii) the audited financial statements of the Issuer have been prepared on a basis consistently applied and in accordance with approved accounting standards in Malaysia and give a true and fair view of the results of its operations for each respective year and the state of affairs at that date, and in particular disclose all material liabilities (actual or contingent) of the Issuer;
 - (ix) Subject to item (z)(12)(iii) and save and except as disclosed in the information memorandum in relation to the Senior Islamic MTNs Facility, the Issuer is the legal and beneficial owner of all its assets and none of such assets is affected by any mortgage, charge, pledge, lien, caveat, title retention, right of set off or any security whatsoever, howsoever created or arising (“Security Interest”), and the Issuer is not a party to, nor is it or any of its assets bound by any order, agreement or instrument under which the Issuer is, or in certain events may be required to create, assume or permit to arise any Security Interest
 - (x) the information memorandum in relation to the Senior Islamic MTNs Facility, any projection and any information in whatever form, document, statement or instrument furnished or to be furnished by the Issuer in connection with the Transaction Documents and the Long Term Financing Facilities do not contain any statement or information that is false or misleading and there is no material omission in respect thereof, and all expressions of expectations, intentions, belief and opinion contained therein were honestly made on reasonable grounds after due and careful query by the Issuer;
 - (xi) the Issuer is in compliance and will comply with all applicable laws and regulations where non-compliance would have a Material Adverse Effect;

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- (xii) no registration, recording, filing or notarisation of the Transaction Documents and no payment of any duty or tax and no other action whatsoever is necessary or desirable to ensure the validity or enforceability in Malaysia of the liabilities and obligations of the Issuer or the rights of the Trustee and/or the Joint Lead Arrangers under the Transaction Documents in accordance with their terms, save and except for the registration of the Security Interests created or to be created under the Financing Documents with the Companies Commission of Malaysia, the registration of the power of attorney contained in any of the Financing Documents with the High Court of Malaya and the registration of the charge over the lease with the relevant land office;
- (xiii) the Issuer has fully disclosed in writing to the Trustee and/or the Joint Lead Arrangers all facts relating to the Issuer which the Issuer knows or should reasonably know and which are material for disclosure to the Trustee and/or the Joint Lead Arrangers in the context of the Transaction Documents;
- (xiv) the Issuer is the legal and beneficial owner of all its rights under the Lease Agreement (and has not in any way disposed of, assigned, charged or divested itself of the same other than as contemplated or permitted under the Financing Documents);
- (xv) no Event of Default or event or circumstance which, with the passing of time, the giving of notice, the making of a determination or any combination thereof constitute an Event of Default has occurred;
- (xvi) each of the Transaction Documents to which it is a party constitute legal, valid, binding and enforceable obligations of the Issuer;
- (xvii) to the best of the Issuer’s knowledge, no person has disputed, repudiated or disclaimed liability under any of the Transaction Documents or evidenced an intention to do so where, in each case, such action has a Material Adverse Effect;
- (xviii) there has been no material adverse change in

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- the financial condition of the Issuer since the date of its last audited financial statements;
- (xix) the Long Term Financing Facilities constitute direct, unconditional and secured obligations of the Issuer and at all times rank:-
- (a) pari passu, without discrimination, preference, priority amongst themselves;
 - (b) in priority to the Junior Debt; and
 - (c) at least pari passu with all other present and future unsecured and unsubordinated obligations of the Issuer,
- subject to those preferred by law.
- (xx) (i) each copy of a Project Document delivered to the Facility Agent is true and complete; (ii) there is no other agreement in connection with, or arrangements which amend, supplement or change the effect of any Project Document; and (iii) there is no material dispute in connection with any Project Document;
- (xxi) (i) the execution by Issuer of each Transaction Document to which it is a party constitutes, and the exercise by it of its rights and performance of its obligations under each Transaction Document will constitute, private and commercial acts performed for private and commercial purposes; (ii) it will not be entitled to claim immunity from suit, execution attachment or other legal process in any proceedings taken in Malaysia in relation to any Transaction Document; and (iii) its agreement not to claim any immunity to which it or its assets may be entitled is legal valid and binding under the laws of Malaysia;
- (xxii) no step has been taken by the Issuer or any of its shareholders or any other person on its behalf, or to the best of the knowledge of the Issuer, by its creditors nor to the best of the knowledge of the Issuer, have any legal proceedings or applications been started or threatened under Section 176 of the Companies Act, 1965 against the Issuer;
- (xxiii) all insurances required under the Transaction Documents have been effected and are valid

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and binding and all premiums due have been paid and, so far as the Issuer is aware, nothing has been done or omitted to be done which has made or could make any such policy void or voidable.

(x) Events of default

The following:-

- (i) the Issuer fails to pay any principal or amount having the effect of principal, interest or profit due from it under the Long Term Financing Facilities on the due date or, if so payable, on demand;
- (ii) the Issuer fails to pay any amount (other than such amount due under the Long Term Financing Facilities) due under the Transaction Documents on the due date or, if so payable, on demand and such failure to pay is not remedied within fourteen (14) days from the date such amount is due or demanded or within such longer period as may be allowed under the relevant Project Documents and, in relation to the Project Documents, such failure would in the opinion of the Trustee have a Material Adverse Effect;
- (iii) the Issuer fails to observe or perform its obligations under any of the Financing Documents other than an obligation of the type referred to in paragraph (i) and (ii) above and in the case of a failure which in the reasonable opinion of the Trustee is capable of being remedied, the Issuer does not remedy such failure to the satisfaction of the Trustee within a period of thirty (30) days after the Issuer became aware or having been notified in writing by the Trustee of the failure;
- (iv) any of the Project Documents is terminated or there has been a breach of any obligation or term by the Issuer and/or project counterparties under any of the Project Documents which would in the opinion of the Trustee have Material Adverse Effect and which, if in the reasonable opinion of the Trustee is capable of remedy, has not been remedied to the satisfaction of the Trustee within thirty (30) days after the Issuer became aware or having been notified in writing of such breach or such longer period as may be allowed under the relevant Project Document but in any case not longer than ninety (90) days after the Issuer become aware or having been notified in writing of such breach;

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- (v) any indebtedness 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 or disputed in good faith by the Issuer in a court of competent jurisdiction within thirty (30) days from the date of such declaration or call, or any security created to secure such indebtedness becomes enforceable;
- (vi) any of the following events occurs in respect of the Issuer or TNB:-
 - (a) any step is taken for the winding up, dissolution or liquidation of the relevant party or a resolution is passed for the winding up of the relevant party or a petition for winding up is presented against the relevant party and the relevant party has not taken any action in good faith to set aside such petition within thirty (30) days from the date of service of such winding up petition or if a winding up order has been made against the relevant party;
 - (b) an application is made to a court for an order appointing a liquidator or provisional liquidator in respect of the relevant party, or one of them is appointed, whether or not under an order;
 - (c) an encumbrancer takes possession of, or a trustee, receiver, receiver and manager or similar officer is appointed in respect of the whole or a substantial part of the business or assets of the relevant party, or distress, legal process, sequestration or any form of execution is levied or enforced or sued out against the whole or a substantial part of the business or assets of the relevant party, or any Security Interest (other than those contemplated or permitted under the Financing Documents) which may for the time being affect the whole or a substantial part of the assets becomes enforceable, and is not discharged, suspended or set aside by, (i) in the case of the Issuer, by the Issuer within thirty (30) days from the date of such taking of possession or appointment

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- or of service of notice of execution or enforcement; or (ii) in the case of TNB, by TNB within thirty (30) days from the date the Issuer becomes aware of such taking of possession or appointment or of service of notice of execution or enforcement;
- (d) the relevant party convenes a meeting of its creditors or proposes or makes any arrangement including any scheme of arrangement or composition or begins negotiations with any of its creditors, or takes any proceedings or other steps, with a view to a rescheduling or deferral of all or any part of its indebtedness or a moratorium is agreed or declared by a court of competent jurisdiction or imposed by operation of law in respect of or affecting all or any part of its indebtedness or any assignment for the benefit of its creditors (other than for the purposes of and followed by a reconstruction previously approved in writing by the Trustee, unless during or following such reconstruction the relevant party becomes or is declared to be insolvent) or where a scheme of arrangement under Section 176 of the Companies Act 1965 has been initiated by or against the relevant party;
 - (e) the relevant party is deemed unable to pay any of its debts within the meaning of Section 218(2) of the Companies Act 1965 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;
 - (f) the relevant party fails to satisfy any judgement passed against it by any court of competent jurisdiction and no appeal against such judgement has been made to any appropriate appellate court within the time prescribed by law or such appeal has been dismissed or set aside within the appropriate time period;
 - (g) any person exercises a contractual right to take over the financial or business management of the relevant party and such event in the opinion of the Trustee would have a Material Adverse Effect; or
 - (h) anything analogous or having a substantially similar effect to any of the

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events specified above happens under the law of any applicable jurisdiction;

- (vii) where there is a revocation, withholding or modification of any license (other than the generation licence), authorisation, approval or consent which in the opinion of the Trustee would have a Material Adverse Effect or the generation licence is terminated, revoked or ceases to be in full force and effect without a substitute licence being issued therefor or is modified and the effect of such modification would be to prevent the implementation or carrying out of the Project or would in the opinion of the Trustee otherwise have a Material Adverse Effect;
- (viii) at any time, any of the provisions of the Transaction Documents is/becomes illegal, void, voidable or unenforceable and provided that in relation to the Project Documents, such invalidity or non-enforceability has in the opinion of the Trustee a Material Adverse Effect, or it is illegal/unlawful for the Issuer to perform any term of the Transaction Documents and provided that in relation to the Project Documents, such illegality or unlawfulness would in the opinion of the Trustee have a Material Adverse Effect;
- (ix) 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 and which, in relation to the Project Documents, such repudiation, act or thing evidencing an intention to repudiate would in the opinion of the Trustee have a Material Adverse Effect;
- (x) any 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 may have a Material Adverse Effect;
- (xi) any event or events has or have occurred or a situation exists which gives reasonable grounds for the Trustee to believe that such event would have a Material Adverse Effect on the Issuer to perform their respective obligations and undertakings in connection with the Transaction Documents, and in the case of the occurrence of such event or situation which in the reasonable

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opinion of the Trustee is capable of being remedied, the Issuer does not remedy it to the satisfaction of the Trustee within a period of thirty (30) days after the Issuer became aware or having been notified in writing by the Trustee of the event or situation or such other longer remedy period as may be allowed under the Project Documents for the relevant event or situation;

- (xii) suspension of work on the whole or any material part of the Project and such suspension continues uncured or is not remedied to the satisfaction of the Trustee for a period of sixty (60) days or such longer period as may be allowed under the relevant Project Document but in any case not longer than one hundred eighty (180) days;
- (xiii) any representation or warranty made by the Issuer under any provision of the Financing Documents or any information, notice, opinion or certificate or other document delivered pursuant to the terms of the Transaction Documents proves to have been incorrect or misleading as of the date at which such representation or warranty is made or repeated or such information, notice, opinion or certificate or other document is delivered in reference to the facts and circumstances existing at such date provided that in the case of any information, notice, opinion or certificate or other document delivered by a party to a Project Document such incorrect or misleading information, notice, opinion or certificate or other document, in the opinion of the Trustee, would have a Material Adverse Effect;
- (xiv) the Issuer ceases (or changes or suspends) or is about to cease (or threatens to change or suspend) to carry on all or a substantial part of its business save with the prior written consent of the Trustee;
- (xv) failure of the Issuer to achieve completion of the Project in the manner outlined in the PPA;
- (xvi) for whatever reason any of the security interests created under any of the security documents cannot be perfected or is in jeopardy or rendered invalid or defective in any way;

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		(xvii) those required arising from due diligence findings; and
		(xviii) those required for compliance with all applicable laws, guidelines and directives.
		Upon the occurrence of an event of default, the Trustee may or shall (if directed to do so by a special resolution of the holders of the Senior Islamic MTNs) declare that the Senior Islamic MTNs are immediately due and repayable. Thereafter, the Trustee may take proceedings against the Issuer as it may think fit to enforce immediate repayment of the Senior Islamic MTNs.
(y)	Principal terms and conditions for warrants (where applicable)	Not applicable.
(z)	Other principal terms and conditions for the issue	
1	Designated Accounts	<p>The Issuer shall open and maintain the following Syariah compliant Designated Accounts with a licensed financial institution that is acceptable to the Security Agent.</p> <p>Upon occurrence of an Event of Default the Security Agent will then be the sole signatory of all the Designated Accounts.</p>
	i. Senior Islamic MTNs Escrow Account (“SIMEA”)	<p>(i) Monitoring Agent is the sole signatory.</p> <p>(ii) SIMEA is for the purpose of depositing and/or remitting the issuance proceeds of the Senior Islamic MTNs.</p> <p>(iii) Proceeds from the SIMEA shall be paid into the Project Bank Account (“PBA”) subject to:-</p> <p>(a) Financing of payments in respect of the Estimated Net Project Cost and the TWA Works (pursuant to paragraph (v) of the Uses of Proceeds clause as set out in item (k)) shall be on an 85:15 DE Ratio basis;</p> <p>(b) The Monitoring Agent receiving satisfactory evidence that the Issuer’s shareholders and Junior Debt holders have deposited the relevant contributions/ proceeds into the PBA to maintain the DE Ratio requirement.</p>

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- (iv) Any credit balance remaining in the SIMEA after the first profit payment date of the Senior Islamic MTNs after COD of the Second Unit shall be deposited into the PBA on an 85:15 DE Ratio basis. No certification from the ICE, verification by an external auditor of international repute and/or such other documentary evidence will be required by the Monitoring Agent for such transfer.

Condition Precedent to Drawdown from SIMEA are as follows:

- (a). The Facility Agent shall have received the EIA approval in respect of the Project together with documentary evidence satisfactory to the Joint Lead Arrangers that the conditions therein have been complied to the satisfaction of the Joint Lead Arrangers (other than conditions which can only be or which are only required to be fulfilled after the relevant drawdown from SIMEA); and
 - (b) No Event of Default has occurred and is continuing as at the date of the drawdown or shall occur as a result of making the relevant drawdown.
- ii. Project Bank Account (“PBA”)
- (i) Monitoring Agent and the Issuer are the joint signatories.
 - (ii) The following shall be deposited into the PBA account:-
 - (a) All forms of contributions to Shareholders’ Funds (including Junior Debt);
 - (b) Disbursements from the SIMEA;
 - (c) Amounts drawn under Permitted Indebtedness (save and except for all amounts drawn to finance the cost of TWA Works, which will be paid directly into the TA);
 - (d) any profit/interest earned on Permitted Investments;
 - (e) all revenues and other payments received by the Issuer (exclusive of amounts received in respect of the TWA Works);
 - (f) proceeds of insurance claims;
 - (g) any claims received in respect of third party performance bonds, liquidated damages or any other compensation received (exclusive of any claim received in respect of any

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performance guarantee or compensation of a similar nature that is received by the Issuer for loss of income and/or increase in cost arising from the failure to achieve the Guaranteed Net Output and the Guaranteed Net Heat Rate (both as defined in the EPC));

- (h) any funds released from the FSRA which exceeds the Minimum Required Balance;
 - (i) any remaining SIMEA balances after the first profit payment date of the Senior Islamic MTNs after COD of the Second Unit;
 - (j) any remaining TA balances after completion of the TWA Works in accordance with the TWA; and
 - (k) transfers from the PGA.
- (iii) The balance in the PBA shall be applied in accordance with the **Priority of Cash Flow** as set out below:
- (a) to repay all obligations under the syndicated bridging finance facility of up to RM300.0 million which was raised for the Project prior to issuance of the Senior Islamic MTNs;
 - (b) for payment of all capital expenditures (including TWA Works and wayleaves as per the Uses of Proceeds clause), operating and maintenance, taxes, duties and capital improvements in respect of the Project via the OA and TA respectively. For the avoidance of doubt, payment for the TWA Works and wayleaves as per the Uses of Proceeds clause shall be remitted once only in one lump sum of up to RM60.0 million to the TA;
 - (c) for payment of contingency amounts, including any liquidated damages in relation to the Project (but excluding the TWA Works);
 - (d) for payment of profit payments, fees, commissions and other payments payable (excluding repayment of all principal obligations or amounts drawn) due under the Long Term Financing Facilities;
 - (e) for repayment of all principal obligations or amounts drawn under the Long Term Financing Facilities;

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- (f) for payment of profit payments, fees, commissions and other payments payable (excluding repayment of all principal obligations) under the Permitted Indebtedness save and except for payment of interest under the RC Facility referred to in item (z)(12)(i)(d) to the extent that the same is used to finance the TWA Works;
- (g) for repayment of all principal obligations due under the Permitted Indebtedness;
- (h) for compliance with FSRA and MRA requirements;
- (i) subject to item (z)(12)(ii), for transfers to the Distribution Account, where the priority of payment therein shall be governed by the principal terms and conditions of the Junior Debt; and
- (j) subject to item (z)(12)(ii) and the payment and/or repayment in full of any amounts then due under the Junior Debt, for payment of dividends.

Disbursement of funds from the PBA during the tenure of the Long Term Financing Facilities will be monitored and authorised by the Monitoring Agent. Save and except for the remittance from the PBA to the TA under item (b) above, all payments from the PBA shall be made subject to certification from the ICE, an external auditor of international repute and/or such other documentary evidence in form and substance acceptable to the Monitoring Agent (e.g. allocations under periodic budgets prepared by the Issuer that have been previously approved by the Monitoring Agent). Where disbursements are made for the acquisition of Jalur Jernih Sdn Bhd, such disbursement shall be made subject to documentary evidence acceptable to Monitoring Agent that the relevant sale and purchase agreement relating to such acquisition have been rendered unconditional and the purchase price being not more than RM100.0 million.

- iii. Operating Account (“OA”)
 - (i) Issuer is the sole signatory.
 - (ii) The Issuer shall open an OA for the purpose of remitting all amounts transferred from the PBA for payment of all capital expenditures, operating and maintenance, taxes, duties and capital improvements in respect of the Project (but excluding the TWA Works).

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- iv. TWA Account (“TA”)
 - (i) Monitoring Agent is the sole signatory.
 - (ii) The Issuer shall open a TA for the purpose of depositing all amounts:
 - (a) transferred from the PBA (provided that transfers from the PBA shall be in accordance with the Uses of Proceeds clause);
 - (b) received as payment for the TWA Works; and
 - (c) raised under the RC Facility referred to in the definition of Permitted Indebtedness to the extent that the same is used to finance the TWA Works,
 - (iii) Subject to the provisions in the EPC or any supplemental thereto in respect of the TWA Works and the wayleaves being acceptable to the Joint Lead Arrangers, the credit balances in the TA shall be utilised as follows subject to documentary evidence in form and substance acceptable to the Monitoring Agent:-
 - (a) for payment of all TWA Works and wayleaves incurred in relation thereto;
 - (b) for all taxes arising from the TWA Works;
 - (c) for interest payments under the RC Facility to the extent that the same is used to finance the TWA Works;
 - (d) for payments to TNB pursuant to the tax saving sharing arrangement under the TWA; and
 - (e) transfers to the PBA.
 - (iii) The credit balances in the TA, subject to the settlement of all items outstanding under (iii)(a) to (d) above, shall be transferred to the PBA:-
 - (a) by 30 April 2008 or the final payment of the TWA Works by TNB (excluding the retention sum), whichever is earlier, subject to such transferred amount being no less than the amount deposited under (ii)(a) above; and
 - (b) upon release of the retention sum by TNB under the TWA.

Thereafter, any remaining credit balances shall be immediately transferred to the PBA and the

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TA shall be closed.

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| v. | Performance Guarantee Account (“PGA”) | (i) | Monitoring Agent is the sole signatory. |
| | | (ii) | The Issuer shall open a PGA for the purpose of remitting any claims received in respect of any performance guarantee or compensation of a similar nature that is received by the Issuer for loss of income and/or increase in cost arising from the failure to achieve the Guaranteed Net Output and the Guaranteed Net Heat Rate (both as defined in the EPC). |
| | | (iii) | Credit balances in the PGA shall be dealt with in the following manner and which will be monitored and authorised by the Monitoring Agent: |
| | | (a) | During the Warranty Period (as defined under the EPC): |
| | | | <ul style="list-style-type: none"> - in accordance with the EPC, reimburse the EPC contractor if any rectification of such failure is made that would entitle it to receive a reimbursement from the Issuer thereunder and such amount reimbursed to the EPC contractor shall not exceed the aggregate of the credit balances in the PGA; or - if the Issuer is of the view that the EPC contractor is unable to rectify such failure to make good on the guaranteed performance of the Plant, the Issuer may utilise the credit balances in the PGA to repurchase the Senior Islamic MTNs at any price in the open market or by private treaty subject to the ICE’s certification of its concurrence with the Issuer’s view above and documentary evidence acceptable to the Monitoring Agent of the repurchase of the Senior Islamic MTNs. |
| | | (b) | After the Warranty Period: |
| | | | <ul style="list-style-type: none"> - the Issuer may utilise the credit balances in the PGA to repurchase the Senior Islamic MTNs at any price in the open market or by private treaty subject to documentary evidence acceptable to the |

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Monitoring Agent of such repurchase.

- At any point after the Warranty Period, any credit balance in the PGA shall be transferred to the PBA in equal monthly instalments over the remaining period of the Senior Islamic MTNs. This can be also be represented by the following formula:-

Credit balance outstanding in the PGA / Remaining period of the Senior Islamic MTNs

- Any funds transferred to the PBA shall be applied in accordance with the **“Priority of Cash Flow”** clause.

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| v. Maintenance Reserve Account (“MRA”) | <ul style="list-style-type: none"> (i) Issuer is the sole signatory; (ii) The Issuer shall, to fulfil its obligations under the PPA, establish a Syariah compliant reserve account or accounts in the sum of not less than RM24 million to be built up over a three (3) year period commencing at the end of one (1) year from COD of the First Unit, at the rate of RM8 million a year. (iii) As permitted under the PPA, the Issuer is allowed to draw from the MRA to pay for maintenance expenses for the Project, including any repair or replacement of parts. Any amount withdrawn shall be replenished within three (3) months or other periods agreed by TNB. |
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SIMEA, PBA, OA, TA, PGA and MRA together with FSRA as defined in Item (I) are collectively referred as “Designated Accounts”.

2 Permitted Investment

The Issuer shall be permitted from time to time to utilise funds held in the Designated Accounts to make Permitted Investments, provided that:-

- (i) such funds utilised for Permitted Investments shall be remitted to the relevant Designated Accounts in a timely manner to meet any payment obligations of the Issuer when due and payable;

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- (ii) such Permitted Investments are to be held and not traded. However, in the event that such Permitted Investments subsequently fails to meet any of the criteria for Permitted Investments, that Permitted Investment may be disposed off; and
- (iii) such Permitted Investments are to be denominated in Ringgit Malaysia.

Permitted Investments shall comprise investment products approved by the Syariah Advisory Council of the SC, BNM's Syariah Council and/or other recognised Syariah authorities. For the purposes of the Long Term Financing Facilities, Permitted Investments are as follows:-

- (i) Mudharabah, wadiah and other deposits under Syariah principles with licensed financial institutions; or
- (ii) Bankers acceptances, bill, other money market instruments issued under Syariah principles and by licensed financial institutions with a short term rating of P₁ and a minimum long term rating of AA₃ or their equivalent; or
- (iii) Money market funds which are principal guaranteed and are approved by the SC; or
- (iv) Principal guaranteed structured investments approved by BNM and issued by licensed financial institutions with a short term rating of P₁ and a minimum long term rating of AA₃ or their local or foreign equivalents; or
- (v) Treasury bills, money market instruments, and other debt instruments issued under Syariah principles by BNM or the Government of Malaysia; or
- (vi) Private debt securities issued under Syariah principles by corporations, financial institutions or guaranteed by licensed financial institutions with a short term rating of P₁ or a minimum long term rating of AA₃ or their equivalent.

However, funds held in the FSRA are only allowed to be invested in (i) to (v) above.

Notwithstanding the above, the Issuer shall be allowed from time to time to utilise up to a maximum equivalent of 25% of the total funds in the Designated Accounts in

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- non-syariah approved investments which meet the stipulated criteria above (other than the criteria on compliance with Syariah principles).
- 3 Condition Precedent to Subsequent Issuance**
- To include but not limited to the following (all having to be in the form and substance acceptable to the Joint Lead Arrangers):-
- (i) Representations and warranties still remain true and correct;
 - (ii) No Event of Default has occurred and is continuing or shall occur if the relevant issuance is made;
 - (iii) All financial obligations due and payable at such time under the Long Term Financing Facilities are fully settled by the Issuer;
 - (iv) A search has been conducted on the qualified issue document of title to the Project Land at the relevant Land Office/Registry and the results reveal that the registered owner is Jalur Jernih Sdn Bhd and the Facility Agent shall be satisfied that there is no subsisting claim, interest or encumbrance filed or registered on or against the Project Land that will affect the security interests of the Senior Islamic MTNs holders and the issuing banks of the BG Facility /SBLC Facility under the Financing Documents;
 - (v) In relation to the issuance of Tranche 9 of the Senior Islamic MTNs, documentary evidence and certification from the ICE and/or an external auditor of international repute:-
 - (a) of the remaining expenses to be incurred to meet the Estimated Net Project Cost; and
 - (b) that there is insufficient money in the SIMEA to meet such remaining expenses on an 85:15 DE Ratio basis;

and as such, the issuance amount of Tranche 9 shall not exceed the amount as certified above.
 - (vi) Such other conditions precedent as may be advised by the Solicitors and to be mutually agreed between the Joint Lead Arrangers and the Issuer.

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4	Subordination	The Junior Debt holder shall <u>not</u> be able to declare an event of default ahead of the holders of the Senior Islamic MTNs and the issuing banks of the BG Facility /SBLC Facility. However, it shall constitute a cross default on the Junior Debt in circumstances where the holders of Senior Islamic MTNs or the issuing banks of BG Facility /SBLC Facility declare default in respect of the Issuer.
5	Status	<p>The Long Term Financing Facilities shall constitute direct, unconditional and secured obligations of the Issuer and shall at all times rank:-</p> <ul style="list-style-type: none"> (i) pari passu, without discrimination, preference, priority amongst themselves; (ii) in priority to the Junior Debt; and (iii) at least pari passu with all other present and future unsecured and unsubordinated obligations of the Issuer, <p>subject to those preferred by law.</p> <p>For avoidance of doubt, for so long as any of the Long Term Financing Facilities or any Permitted Indebtedness shall remain outstanding, the payment obligations and the security sharing under the Junior Debt shall rank subordinated to the Long Term Financing Facilities and such Permitted Indebtedness except to the extent permitted under the Financing Documents.</p>
6	Non-Recourse	Senior Islamic MTNs holders and the issuing banks of the BG Facility and SBLC Facility will have recourse to the assets and cash flow of the Issuer and its subsidiaries (if any) only and will have no recourse or claim over the assets of any of the Issuer's shareholders or affiliated companies.
7	Redemption	Unless previously redeemed or purchased and cancelled, the Senior Islamic MTNs will be redeemed by the Issuer at 100% of their nominal value on their respective maturity dates.
8	Repurchase and Cancellation	The Issuer or any of its subsidiaries (if any) may at any time purchase the Senior Islamic MTNs at any price in the open market or by private treaty, but these repurchased Senior Islamic MTNs acquired by the Issuer shall be immediately cancelled and cannot be reissued.
9	Transferability	Transferable, but subject to the Selling Restrictions clause described in item (p) above.

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| 10 | Compensation for Late Payment (“Ta’widh”) | In the event of late payments, the Issuer shall pay to the Senior Islamic MTNs holders compensation on such overdue amounts at the rate and in the manner prescribed by SC’s Syariah Council (or such other Syariah council or authority having requisite authority in respect of the Senior Islamic MTNs Facility). |
| 11 | Affirmative Covenants | <p>The following:</p> <ul style="list-style-type: none"> (i) maintain FSCR of not less than 1.25 times from the FSCR Start Date; (ii) maintain the DE Ratio at no more than 85:15 at all times; (ii) maintain the shareholder’s equity contribution in the Issuer (in the form of ordinary paid-up shares, preference shares, loan stocks and/or shareholders’ advances) at no less than Ringgit Five Million (RM5,000,000) at all times; (iv) the Issuer shall achieve NTP 2 (as defined in the EPC) within three (3) months of NTP 1 and provide a copy thereof to the Trustee; (vi) those required arising from due diligence findings; (vii) those required for compliance with all applicable laws, guidelines and directives. (viii) the Issuer shall maintain in full force and effect and shall comply with the generation licence and all other relevant authorisations, consents, rights, licences, approvals and permits (governmental or otherwise) and environmental laws and will promptly obtain and/or renew any further authorisations, consents, rights, licences, approvals and permits (governmental and otherwise) which is or may become necessary:- <ul style="list-style-type: none"> (a) to enable it to own its assets and to carry on its business, where the absence of such authorisations, consents, licences, approvals and permits will have a Material Adverse Effect; or (b) for the Issuer to enter into or perform its obligations under the Transaction Documents or to ensure the legality, validity, enforceability, admissibility in evidence of the obligations of the Issuer or of the priority or rights of the Senior Islamic |

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MTNs holders under the Transaction Documents provided that this shall not require the Issuer to obtain any authorisations, consents, rights, licences, approvals and permits (governmental or otherwise) that are required to be personally obtained by the Senior Islamic MTNs holders;

- (ix) the Issuer shall at all times upon request by the Trustee execute all such further documents and do all such further acts, as are reasonably necessary to give further effect to the terms and conditions of the Transaction Documents, save, in relation to the Project Documents, the Issuer shall be required to execute such documents or do such acts if the failure to do so would have a Material Adverse Effect;
- (x) 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 of the power industry;
- (xi) the Issuer shall promptly perform and carry out all its obligations under the Transaction Documents (including but not limited to repaying the amounts due/ drawn under the Long Term Financing Facilities on the due date) and ensure that it shall immediately notify the Trustee in writing in the event that the Issuer is unable to fulfil or comply with any of the provisions of the Financing Documents or the Project Documents where the non-fulfilment or non-compliance therewith, whether by the Issuer or by any other relevant party to the Project Documents, would have a Material Adverse Effect provided that, in relation to the Project Documents, no breach of this clause will arise from the failure of the Issuer to perform any obligation thereunder if the non-performance thereof would not have a Material Adverse Effect;
- (xii) during the construction period, the Issuer shall on a bi-monthly basis for the first two years and thereafter on a monthly basis submit to the Trustee a summary of the progress of work done, including a report prepared by the ICE on amongst others, the progress of construction and all such matters as are to be undertaken by

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- the ICE based on the terms of their appointment;
- (xiii) the Issuer shall keep proper books and accounts, maintain its records and prepare its financial statements on a basis consistently applied in accordance with approved accounting standards in Malaysia and those financial statements shall give a true and fair view of the results of the operations of the Issuer for the period to which the financial statements are made up and shall disclose or provide against all material liabilities (actual or contingent) of the Issuer;
 - (xiv) the Issuer shall promptly inform the Trustee of any proposed listing of its shares on Bursa Securities or on any other stock exchange or any proposed issuance of new shares by the Issuer;
 - (xv) the Issuer shall as soon as practicable, deliver to the Trustee a certified copy each of any Project Document entered into subsequent to the execution of the Financing Documents;
 - (xvi) the Issuer shall provide the Trustee, and its representatives reasonable access to the Project site and to inspection of all relevant Project Documents and books subject to 3 Business Days' written notice being provided to the Issuer;
 - (xvii) the Issuer shall open and maintain the required Designated Accounts that are Syariah-compliant with a Financial Institution that is acceptable to the Security Agent; pay all relevant amounts into such accounts, make all payments from such accounts only as permitted under the Financing Documents, and comply with the terms and conditions of the Financing Documents in all matters concerning the Designated Accounts. Further, the Issuer shall forthwith notify the Trustee in writing of any change in the authorised signatories to any of the Designated Accounts and shall not open and /or maintain any account save and except for the Distribution Account, Designated Account and the account to be jointly opened by the Issuer and TNB Fuel Services Sdn Bhd under the CSTA;

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- (xviii) the Issuer shall, within three (3) Business Days of the completion of the acquisition thereof, pledge its shares in Jalur Jernih Sdn Bhd and deposit the relevant share certificates with the Security Agent;
- (xix) the Issuer shall ensure that the Junior Debt and all shareholders' loans/advances made to it shall be subordinated to the Long Term Financing Facilities to the extent provided for under the relevant Financing Documents;
- (xx) the Issuer shall comply with all applicable laws and regulations provided that no breach of this clause will arise from the failure of the Issuer to comply with any such law or regulation if the failure does not have a Material Adverse Effect;
- (xxi) the Issuer will comply with its obligations under the Depository and Paying Agency Agreement and, without prejudice to the generality of the foregoing, at all times maintain a Paying Agent with a specified office in Malaysia;
- (xxii) the Issuer will, subject to the Depository and Paying Agency Agreement, give to the Trustee written notice of its intention to appoint or remove any Paying Agent at least sixty (60) days before the intended appointment or removal;
- (xxiii) the Issuer will make available to the Trustee particulars of all ratings on the Senior Islamic MTNs by RAM or any other rating agency acceptable to the Trustee;
- (xxiv) the Issuer will promptly give to the Trustee a certified copy of any notice or document relating, inter alia, to the Issuer's rights and obligations under the Project Documents and/or the insurances, received or given by the Issuer from or to any party (including any governmental authority and/or the EPC contractor) under the Project Documents and/or the insurances where such notice or document concerns any matter having a Material Adverse Effect or would have a Material Adverse Effect;
- (xxv) the Issuer will procure that the Paying Agent will notify the Trustee in writing in the event that the Paying Agent does not receive payment from the Issuer (through the Lead Arranger) on the

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due dates as required under the Trust Deed and the terms and conditions of the Senior Islamic MTNs;

(xxvi) the Issuer will immediately notify the Trustee in writing, as soon as the Issuer becomes aware:-

- (a) of any change in the utilisation of proceeds from the Senior Islamic MTNs (without prejudice to Negative Covenant as set out in item (z)(12)(xiii)) from that set out in the information memorandum or any agreement entered into in connection with the Senior Islamic MTNs which sets out a specific purpose for which proceeds are to be used;
- (b) as soon as the Issuer becomes aware, of any change in the withholding tax position or taxing jurisdiction of the Issuer; and
- (c) as soon as the Issuer becomes aware, of any event of default in relation to other indebtedness of the Issuer or any occurrence that in its reasonable opinion might adversely affect its ability to perform and fully comply with its obligations under the Financing Documents;

(xxvii) (1) the Issuer shall notify the Facility Agent in writing of any impending change in the subordinated debt holders at least thirty (30) days before such change is to occur and, where any such change is to occur prior to the COD of the Second Unit, shall obtain the prior written consent of the Trustee save and except where the new subordinated debt holder:

- (a) is a Federal statutory provident fund or Federal statutory investment company; or
- (b) has a higher or equivalent rating from RAM or MARC than the exiting subordinated debt holder but in any case not lower than AA₃ (or its equivalent); or
- (c) provides an upfront cash deposit into the PBA or an irrevocable bank guarantee or irrevocable

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line of credit from a financial institution with a minimum rating of AA₃ (or its equivalent) for an amount equivalent to its portion of required Shareholders' Funds; or

(d) it is a transferee of the Junior Debt or any part thereof.

(2) the Issuer shall obtain the prior written consent of the Trustee (which consent shall be given only upon the direction of the Senior Islamic MTNs holders by extraordinary resolution) for any change to the Issuer's shareholders save and except where such change has been approved by the Government of Malaysia;

Notwithstanding all of the above, the Issuer shall, within 5 Business Days after the change, notify the Trustee in writing of such change in its shareholders and/or subordinated debt holders.

(xxviii) the Issuer will promptly pay all taxes and other government charges when due and before any penalty or interests accrue to them save for those taxes and/or, charges and/or penalties and/or interests accrued on such taxes/charges being contested in good faith by the Issuer and for which the Issuer has adequately set aside or reserved a sum of money therefor;

(xxix) the Issuer will do all acts and take all steps necessary or expedient to safeguard and preserve its assets (whether in relation to the Project or otherwise) and each part thereof and the title and ownership thereto and the security created pursuant to the Financing Documents;

(xxx) the Issuer will remain domiciled or resident, for the purposes of the taxation jurisdiction, in Malaysia;

(xxxi) the Issuer shall:-

(a) ensure that the environmental management plan stated, and the environmental mitigation and monitoring measures recommended, in the Environment Impact Assessment are

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- followed in the design, construction, implementation, maintenance of the Project;
 - (b) comply with all relevant environmental laws; and
 - (c) take all necessary mitigation measures specified in the Environmental Impact Assessment to minimize the environmental impact of the Project;
- (xxxii) the Issuer shall promptly perform and carry out all its obligations under the Senior Islamic MTNs, in accordance with their terms (including but not limited to the redemption of the Senior Islamic MTNs on the relevant Maturity Date) and ensure that it shall immediately notify the Trustee in writing in the event that the Issuer is unable to fulfil or comply with any of such provisions;
- (xxxiii) the Issuer shall promptly comply with all applicable provisions of the Securities Commission Act and/or the notes, circulars, conditions or guidelines issued by SC, BNM and any other relevant regulatory authorities from time to time in relation to the Senior Islamic MTNs;
- (xxxiv) the Issuer shall grant the Joint Lead Arrangers the first right of refusal to arrange and provide the RC Facility of up to RM30 million (if required) in relation to the Project;
- (xxxv) the Issuer shall ensure that the Long Term Financing Facilities constitute direct, unconditional and secured obligations of the Issuer and subject to those preferred by law, at all times rank:-
- (a) pari passu, without discrimination, preference, priority amongst themselves;
 - (b) in priority to the Junior Debt; and
 - (c) at least pari passu with all other present and future unsecured and unsubordinated obligations of the Issuer;
- (xxxvi) the Issuer shall ensure that the TNB SBLC is maintained in accordance with the PPA;

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- (xxxvii) the Issuer shall ensure that the Project is constructed, developed, completed and managed under the supervision and management of adequate skilled and experienced personnel and shall maintain keyman life insurance for the key personnel referred to in item z(12)(xxii) and shall procure that such insurance is assigned in favour of the Security Agent and shall promptly inform the Project Agent of any changes in its management structure or any of its key personnel; and
- (xxxviii) the Issuer shall forthwith upon the completion of the acquisition of Jalur Jernih Sdn Bhd, supplement the Lease Agreement by mutually terminating the lease rental payment obligations of the Issuer to Jalur Jernih Sdn Bhd.

12 Negative Covenants

The following:

- (i) the Issuer shall not obtain or permit to exist any indebtedness other than the following :-
 - (a) the Senior Islamic MTNs under the Senior Islamic MTNs Facility;
 - (b) the BG Facility of up to RM167.6 million that may be procured by the Issuer in relation to the Project;
 - (c) the SBLC Facility of up to RM72.0 million in relation to the Project;
 - (d) the Permitted Indebtedness;
 - (e) the Junior Debt and
 - (f) all subordinated loans in any form provided that they are subordinated to the Long Term Financing Facilities and the Junior Debt;
- (ii) the Issuer shall not:-
 - (a) declare or pay any dividends; or
 - (b) make any principal repayment and/or profit/ interest payment on the Junior Debt;

if:-

 - (1) it is during the period where there is no FSCR calculated;

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- (2) the FSCR would be below 1.4 times if calculated *after* the payment of such dividends and/or principal repayment and/or profit/interest payments;
 - (3) the requirements with respect to the FSRA, MRA and the DE Ratio have not been met or will not be met after such payment or distribution;
 - (4) an Event of Default has occurred or is continuing or if following such payment or distribution, an Event of Default would occur;
 - (5) COD of the Second Unit has not been achieved; or
 - (6) it is prior to the first profit payment date under the Senior Islamic MTNs;
- (iii) the Issuer shall not create or permit to exist any encumbrance, mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment by way of security, trust arrangement for the purpose of providing security or other security interest of any kind including, without limitation, title transfer and/or retention arrangements having a similar effect or any agreement to create any of the foregoing, but excluding:-
- (a) liens or rights of set off arising in the ordinary course of business by operation of law and not by way of contract save and except pursuant to any Project Document;
 - (b) security interest over specific assets being financed by hire purchase and leasing facilities;
 - (c) security created for the Long Term Financing Facilities and for the Junior Debt ranking thereafter; and
 - (d) security created for the RC Facility which shall rank *pari passu* with the security created for the Long Term Financing Facilities provided that no enforcement of such security can be made without the prior approval of the Senior Islamic MTNs

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holders by extraordinary resolution

- (iv) the Issuer shall not make any principal repayment and/or profit/ interest payment on any subordinated debt/ shareholders loan provided that the Issuer may repay the shareholders' advances of up to RM10 million made prior to Financial Close to facilitate the issue of the relevant nominal value of Class B MTNs;
- (v) those required arising from due diligence findings; and
- (vi) those required for compliance with all applicable laws, guidelines and directives.

The following, unless otherwise consented to in writing by the Trustee :-

- (vii) the Issuer shall not (a) engage or carry on any other business other than the Project; (b) cancel, surrender, abandon or otherwise change in a material manner the nature or scope of its existing business; or (c) suspend or threaten to suspend a substantial part of its business in any manner which would have a Material Adverse Effect;
- (viii) neither the Issuer nor its subsidiary shall provide or permit to exist any guarantee where the Issuer or its subsidiary is a guarantor or is liable to pay for the same thereunder;
- (ix) the Issuer will not sell, transfer or lease or otherwise dispose of or in any case cease to exercise control over, whether by a single transaction or a number of transactions, related or not, the whole or part of the Issuer's undertaking, business, assets or interest save and except for:-
 - (a) the purpose of the Long Term Financing Facilities and the Junior Debt,
 - (b) sale or disposal of the Issuer's undertaking, business or assets which is in the ordinary course of business and on ordinary commercial terms on the basis of arm's length transaction and which will not have a Material Adverse Effect;

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- (c) disposal of any of the Issuer’s undertaking, business or assets due to obsolescence and/or deterioration and which will not have a Material Adverse Effect; or
 - (d) termination of the lease over the Project Land if such lease is substituted by direct ownership by the Issuer over the Project Land;
- (x) the Issuer shall not add, delete, amend or substitute its memorandum or articles of association in a manner inconsistent with the provisions of the Financing Documents;
- (xi) the Issuer shall not reduce or in any way whatsoever alter except increase, its authorised or paid-up share capital whether by varying the amount, structure or value thereof or the rights attached thereto or by converting any of its share capital into stock, or by consolidating, dividing or sub-dividing all or any of its shares;
- (xii) save where expressly permitted, the Issuer shall not enter into any transaction, whether directly or indirectly, with interested persons (including but not limited to its shareholders, directors, and persons connected with them), unless any such transaction is entered into :–
 - (a) in the ordinary course of its business;
 - (b) on an arms-length basis or 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;
 - (c) which will not have a Material Adverse Effect; and
 - (d) where such transactions by the Issuer involves payment or value exceeding RM30 million in aggregate, the Issuer shall obtain certification from an independent advisor that the said transaction is carried out on fair and reasonable terms;

and the Issuer shall certify to the Trustee that all transactions subject to this covenant comply with the requirements above and, where relevant, that the Issuer has received the certification referred to above, and that the

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transaction has been approved by the majority of the Issuer’s Board of Directors or shareholders in a general meeting as the case may require and thereafter the Issuer will as soon as practicable, deliver to the Trustee a certified copy of all such documents related to such transaction and/or agreement;

- (xiii) the Issuer shall not use or instruct the application of the proceeds of the Long Term Financing Facilities except for the purposes set out in these indicative Principal Terms and Conditions;
- (xiv) the Issuer shall not advance or lend any money to any party including inter company advances or loans other than to the Issuer’s directors, officers or employees as part of their terms of employment and which shall in any case not exceed the aggregate of RM1.0 million outstanding at any time;
- (xv) the Issuer shall not, and shall not agree to, amend, vary, terminate (except due to lapse of time), replace or supplement any of its Project Documents, which would have a Material Adverse Effect and in any case be less favourable than the terms subsisting at the time of Financial Close;
- (xvi) the Issuer shall not, and shall not agree to, waive any breach or proposed breach in any of the Project Documents by its counterparty(s) which would have a Material Adverse Effect;
- (xvii) the Issuer shall not do or omit to do any act, or execute or omit to execute any document which may render any of the Project Documents to be illegal, void, voidable or unenforceable;
- (xviii) save as expressly required or permitted under any of the Transaction Documents and save in respect of the acquisition of Jalur Jernih Sdn Bhd, the Issuer will not consolidate or amalgamate or merge with or into, or transfer all or substantially all its assets to or acquire all or substantially all the assets (including shares and/or stocks of any class, partnership or joint venture interest) of another entity; where, for the avoidance of doubt, the Issuer will be deemed to have acquired substantially all of the ordinary shares of another entity if that entity

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becomes a subsidiary of the Issuer as a result of the acquisition;

- (xix) the Issuer will not enter into any voluntary winding up;
- (xx) the Issuer shall not, and shall not agree to, amend, vary, terminate (except due to lapse of time), replace or supplement the terms and conditions of any subordinated debt which would be inconsistent with the requirements of the Financing Documents;
- (xxi) the Issuer shall not, and shall not agree to, waive any breach or proposed breach of the terms and conditions of the subordinated debt where such waiver would have a Material Adverse Effect;
- (xxii) the Issuer shall not terminate the employment of its key personnel occupying the offices of the Executive Director and the Finance Director (which persons shall be identified in writing by the Issuer to the Trustee by the Financial Close of the Senior Islamic MTNs) without replacement with person(s) of no less experience, skill, expertise and ability.

13 Information Covenants The following:-

- (i) the Issuer shall deliver to the Trustee the following:-
 - (a) as soon as they become available (and in any event within one hundred and eighty (180) days after the end of each of its financial year), copies of its financial statements for that year which shall contain the income statements and balance sheets of the Issuer and which are audited and certified by a firm of independent certified public accountants of international repute;
 - (b) as soon as they become available (and in any event within ninety (90) days after the end of the first half of its financial year), copies of its unaudited half yearly financial statements for that period which shall contain the income statements and balance sheets of the Issuer which are duly certified by any one of its directors;

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- (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 (other than information relating to intellectual property or trade secrets and proprietary processes), provided that the Issuer is permitted by law to make such disclosure to the Trustee; and
 - (d) within five (5) Business Days after its receipt by the Issuer, a copy of all notices or other documents received by the Issuer from any of its shareholders or its creditors which contents would have a Material Adverse Effect, and simultaneously to the Trustee a copy of all documents despatched by the Issuer to its shareholders (or any class of them) in their capacity as shareholders or its creditors generally;
- (ii) to the same extent as if the Trustee or any auditor (within the meaning ascribed thereto by the Companies Act 1965) or other person appointed by the Trustee were a director of the Issuer, and in order for the Trustee to fulfil its obligations hereunder, the Issuer will (to the extent so permitted by law):-
 - (a) make available for their inspection during business hours, upon the receipt of three (3) Business Days’ prior written notice, the whole of the accounting and other records of the Issuer;
 - (b) give to them such information as they require with respect to all matters relating to the accounting and other records of the Issuer, if any;
 - (c) further, if required by the Trustee, cause its external auditors to examine its books, accounts and other records and investigate its affairs and furnish the Trustee with such certificate or information pertaining thereto as the Trustee will require for the performance of its duties hereunder or as the Trustee may from time to time require in connection with any calculation or matter arising under these presents and/or the Transaction Documents, and

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the full costs of any such examination, investigation, certification or furnishing of information as is referred to in subparagraph (a) above and this paragraph (c) will be payable by the Issuer;

- (iii) the Issuer shall, within five (5) Business Days after the change, notify the Trustee in writing of any change in its board of directors;
- (iv) the Issuer, if it becomes aware of the same, shall promptly notify the Trustee in writing of any circumstance that has occurred that would prejudice any Security Interest given under the Financing Documents and of any litigation or other proceedings of any nature whatsoever being threatened or initiated against the Issuer before any court or tribunal or administrative agency which would have a Material Adverse Effect;
- (v) upon the Issuer or any of its directors becoming aware of the same, the Issuer shall promptly give notice in writing to the Trustee of the occurrence of any Event of Default or that such other right or remedy under the terms, provisions and covenants of the Senior Islamic MTNs and the Financing Documents have become immediately enforceable or of any event which, upon the giving of notice and/or lapse of time and/or the issue of a certificate and/or the fulfilment of the relevant requirement as contemplated under the relevant Transaction Document would constitute an Event of Default (“Potential Event of Default”) 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) subject always to Negative Covenant as set out in item (z)(12)(xv) the Issuer shall give prior written notice of not less than 10 Business Days to the Trustee of any proposed amendments, variations, terminations, replacements or supplements of any of its Project Documents;
- (vii) the Issuer shall deliver to the Trustee and the Monitoring Agent its proposed annual budgets at least ten (10) days prior to the commencement of the operating year to which such budget relates;

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- (viii) the Issuer shall provide to the Trustee at least on an annual basis, a certificate signed by a director confirming that:-
 - (a) it has observed, performed and complied with all its covenants, representations, warranties and other relevant obligations under the Transaction Documents save, in relation to the Project Documents such confirmation shall relate to its obligations where the non-observance, non-performance or non-compliance therewith would have a Material Adverse Effect;
 - (b) no Event of Default has occurred since the date the Long Term Financing Facilities were first issued/ drawn, and if an Event of Default has occurred or did exist since the date stipulated above, the Issuer shall provide the details of such Event of Default;
- (ix) the Issuer will from time to time, on application made to the Issuer by the Trustee or by or on behalf of the Senior Islamic MTNs holders, holding not less than one-tenth (1/10th) in nominal value of the Senior Islamic MTNs for the time being outstanding, and delivered to the Issuer at its registered office, by giving notice to the Senior Islamic MTNs holders in accordance with the Trust Deed, summon a meeting of the Senior Islamic MTNs holders to consider the accounts and balance sheet last lodged with the Trustee and to give to the Trustee directions in relation to the exercise of the Trustee's powers, such meeting to be held at a time and place specified in the notice and advertisement and in accordance with the provisions of the Transaction Documents;
- (x) the Issuer will cause to be made available for inspection by the Senior Islamic MTNs holders at the Trustee's office copies of each notice to shareholders and its annual balance sheet and profit and loss statement sent to the Trustee, as soon as practicable after the date of issue thereof;
- (xi) the Issuer will send to the Trustee prior to the date of publication, a copy of each notice to the Senior Islamic MTNs holders to be published in accordance with the relevant Financing

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Documents and, upon publication, a copy of each notice so published;

- (xii) in the event of the unconditional payment to the Paying Agent or the Trustee of any sum due in respect of the Senior Islamic MTNs or any of them being made after the due date for payment in respect thereof to the Senior Islamic MTNs holders, the Issuer will forthwith cause written notice to be given to the Senior Islamic MTNs holders, in accordance with the Financing Documents, that such payment has been made.

14 Insurance Covenants

The following :-

- (i) the Issuer will procure that each Insurer:
 - (a) acknowledges that the Issuer will be liable to all premium payments in relation to any insurance; and
 - (b) acknowledges that all amounts whatsoever payable to the Issuer under the insurance including all claims and any returned premiums will be paid to the Security Agent as loss payee in respect of insurance policies effected and shall be paid into the PBA and dealt with as follows:-
 - (i) if the amount of any single claim is equal to or less than Ringgit One Hundred Million (RM100,000,000.00), a transfer of an amount equal to such claim shall be made to the OA and the Issuer shall apply all moneys received in or towards making good the loss or damage in respect of which the money is received or in reimbursing any person for any amount paid by it as the whole or part of the costs of making good the loss or damage;
 - (ii) if the amount of any single claim is more than Ringgit One Hundred Million (RM100,000,000.00) but less than Ringgit Seven Hundred Million (RM700,000,000.00), a transfer of an amount equal to

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such claim shall be made to the OA and the Issuer shall apply all moneys received in or towards making good the loss or damage in respect of which the money is received but in consultation with the Security Agent;

- (iii) if the amount of any single claim is more than Ringgit Seven Hundred Million (RM700,000,000.00), the Security Agent shall apply all moneys received in accordance with the instructions of the parties for whom the Security Agent acts (“Secured Parties”); and
- (iv) a transfer to the OA of an amount equal to any claim under any third party insurance or like insurance under which the proceeds of any claim thereof will, according to industry practice, be paid directly to the third party claimant, shall be applied in making payment to the person to whom the liability was incurred.

For the avoidance of doubt, if an Event of Default has occurred and has not been waived or if an Event of Default is declared, the Security Agent shall apply all moneys received in accordance with the instructions of the Secured Parties and the Issuer shall hold all such money, in the meantime, in trust for the Security Agent;

- (ii) the Issuer will not do, or omit to do, or suffer or permit anything to be done which might render any insurance to be or become, in any respect, invalid, void, voidable, cancelled or unenforceable;
- (iii) the Issuer will promptly supply the Trustee with such information regarding the insurance as the Trustee may from time to time reasonably request;

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- (iv) the Issuer will, after the occurrence of any event which will give rise to a claim under any insurance, promptly give written notice thereof to the Trustee and immediately proceed to make such a claim;
- (v) the Issuer will not make, cause to be made or agree to the making or allow the making of any alteration of or amendment to any insurance which would have a Material Adverse Effect;
- (vi) that, on effecting any further insurance (including any renewal thereof), the Issuer will promptly deliver copies of the cover notes, policies or contracts of such insurance to the Security Agent;
- (vii) the Issuer will insure or cause to be insured the Plant, the assets thereof and all other property and assets of the Issuer and will maintain adequate insurance against all usual risks of loss or damage for projects in the nature of the Project (including third party liability insurance) and against such other insurable risks as the Project Agent may (acting on the advise of the Insurance Consultant) from time to time reasonably consider commercially prudent, including construction all risks, industrial all risks-loss of revenue, industrial all risks-material damage, machinery breakdown-loss of revenue, machinery breakdown-material damage and public liability insurance and which a prudent company carrying on a business similar to the Issuer would normally insure and/or as required under any of the Project Documents for the sum and value as certified as adequate by the Insurance Consultant. In default whereof, it shall be lawful for, but not obligatory upon, the Security Agent to insure the same and all monies expended by the Security Agent together with compensation thereon at the rate of 1.0% per annum above its Cost of Funds from the date of disbursement to the date of payment shall be recoverable from the Issuer and shall be repaid on demand for the same being made by the Security Agent. The Issuer shall also arrange to endorse the interest of the Security Agent as an insured party and as loss payee in respect of insurance policies effected.

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15	Project Covenants	<p>The following :-</p> <ul style="list-style-type: none"> (i) the Issuer will promptly claim to be compensated, in relation to material claims, by any other party to such of the Project Documents for any losses, claims, costs or expenses which the Issuer may incur in accordance with the Project Documents; (ii) insofar as the Issuer is aware, the Issuer will promptly notify the Trustee in writing, if possible before, and in any event as soon as practicable after, the end of any delay or interruption to the works that such delay or interruption has ended, if such delay or interruption would have a Material Adverse Effect; (iii) insofar as the Issuer is aware, the Issuer will promptly notify the Trustee in writing of the reference (whether actual or threatened), of any dispute, controversy or claim in respect of the Project Documents to arbitration or litigation; (iv) the Issuer will promptly notify the Trustee in writing of the full details of any steps which the Issuer is taking, or is considering taking, in order to remedy or mitigate any default of the Project Documents which will have a Material Adverse Effect; (v) the Issuer will promptly notify the Trustee in writing of any agreement of an amount of compensation (other than any claim received in respect of any performance guarantee or compensation which shall be deposited directly into the PGA) to be paid under the Project Documents and promptly pay such amount into the PBA as soon as the same is received by the Issuer; (vi) the Issuer will promptly notify the Trustee in writing of any claim by any party to the Project Documents to be compensated or indemnified by the Issuer under the Project Documents and the details thereof; (vii) the Issuer will promptly notify the Trustee in writing if an event of force majeure and/or an event involving the environment occurs by reason of which the Issuer is unable to
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perform any of its obligations under the Project Documents and the measures the Issuer proposes to take to mitigate any delay or interruption to the works;

- (viii) the Issuer shall take all necessary and available measures and action to, or procure Jalur Jernih Sdn Bhd to, within three (3) months from Financial Close:
 - (a) present the first legal charge over the Lease for registration with the relevant land authority in favour of the Security Agent, and
 - (b) present the Lease for registration with the relevant land authority;

and for such purposes, the Issuer shall provide the Trustee with monthly reports of the progress of the matter;

- (ix) the Issuer will deliver to the Trustee, not later than seven (7) days after receipt of the same, the periodic construction reports provided by the EPC contractor under the EPC;
- (x) the Issuer will promptly notify the Trustee in writing of any variation, modification, non-renewal, withdrawal, revocation and/or cancellation of the consents, approvals, licenses and/or permits which are required and necessary for the Project and all matters incidental thereto or which impairs or prejudices the Issuer's ability to comply with the terms and conditions of the Senior Islamic MTNs or any of the Transaction Documents save where such withdrawal, revocation and/or cancellation of the same is pursuant to a renewal thereof upon the same terms or terms no less beneficial to the Issuer;
- (xi) the Issuer will promptly notify the Trustee in writing of any event involving or associated with a shift in or change to the business industry which the Issuer is in which may have or has a Material Adverse Effect;
- (xii) the Issuer will furnish copies to the Trustee of all documents furnished to the Issuer by any government authority or counterparty(s) to a Project Document or furnished to any of them by the Issuer which contents would have a

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Material Adverse Effect;

- (xiii) the Issuer will not allow the Estimated Total Project Cost to exceed the amount set out in item z(25) unless the Issuer is able to provide documentary evidence to the satisfaction of the Trustee and the Monitoring Agent that such excess cost will be funded by financing referred to in items (z)(12)(i)(d) and/or (z)(12)(i)(f).
- (xiv) the Issuer will:
 - (a) not later than thirty (30) days prior to any proposed change of the O&M Operator (the "Initial Notice Period"), notify the Trustee in writing of the proposed change;
 - (b) in the event that the Trustee has not reverted with its objection thereto by the end of the Initial Notice Period, the Issuer shall be entitled to proceed to replace the O&M Operator accordingly;
 - (c) if however, within the Initial Notice Period, the Issuer has received the written notice from the Trustee notifying of its objection to the identity of the proposed replacement operator, the Issuer and the Trustee shall then negotiate in good faith for a period not exceeding thirty (30) days from the expiry of the Initial Notice Period (the "Second Notice Period"), as to an alternative replacement thereof;
 - (d) pending such agreement, the Issuer shall be entitled (at its discretion), to operate and maintain the Plant; and
 - (e) if no agreement is reached between the Trustee and the Issuer after the expiry of the Second Notice Period, the Issuer shall be entitled to enter into a new operations and maintenance agreement with a replacement operator nominated by the Issuer provided that:
 - (i) the new proposed operations and maintenance agreement shall be in or substantially in similar terms as the O&M Agreement or, if on different terms, such terms as are no less favourable as that required under the O&M Agreement (taking into account inflation, market rates at

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- the relevant time and any steps required to be taken to make good any loss or any upgrading or replacement parts required at the time of take over); and
- (ii) the new proposed operator shall have adequate skill, expertise and experience taking into account such operator's obligations under the new proposed operations and maintenance agreement;
- (xv) the Issuer will:
 - (a) operate, or procure that the O&M Operator operates the Plant in accordance with:
 - (i) the requirements of the PPA;
 - (ii) the operating and maintenance standards recommended by the EPC contractor in the relevant manual provided to it;
 - (iii) the design limits; and
 - (iv) Prudent Utility Practices (as defined in the PPA);
 - (b) in the event of loss, damage or destruction of all or any material part of the Project assets from any cause and no insurance proceeds are received, unless the Issuer demonstrates to the satisfaction of the Project Agent (and for this purpose the Project Agent may obtain the advice of the ICE) that such action is impracticable, use its best endeavours to procure that everything is done and all necessary replacements and repairs are made that may be reasonably required to restore the Project assets and/or other assets of the Issuer which are lost, damaged or destroyed, to good operating condition with the minimum delay;
 - (c) take all such steps as are reasonable for it to pursue and enforce its rights, under the Project Documents to which it is a party and the generation licence (and including all the renewals of such licence);
 - (d) save as otherwise provided or permitted

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in the Trust Deed, neither:

- (i) exercise any discretions or give any notices, directions, instructions or consents under any Project Documents if in so doing there would be a Material Adverse Effect; nor
 - (ii) abandon the Project;
- (e) the Issuer shall notify the Trustee in writing of any proposed exercise of any discretion or the giving of any notice, direction, instruction or consent under the generation licence, any Project Documents or any agreement ancillary thereto at least fourteen (14) days before such proposal is to take effect and, in the case of any such proposal by a person other than the Issuer, promptly upon becoming aware of such proposal;
- (xvi) not consent to the transfer of the obligations under any of the Project Documents by any counterparty thereto if such consent is required from the Issuer under the terms of the relevant Project Documents if the giving of such consent would have a Material Adverse Effect;
- (xvii) ensure that:
 - (a) the Trustee shall be notified in writing, as soon as reasonably practicable, of any forthcoming performance tests;
 - (b) the Trustee is provided with all relevant information (including, in particular, information required by the ICE) relating to the design and procedures used or to be used for the performance tests and the results of the performance tests;
 - (c) the ICE shall be allowed to attend and observe all performance tests;
 - (d) if the ICE disagrees with or queries to a material extent the result of a performance test, the ICE shall be given an opportunity to consult with the project engineer on the subject of the results of that performance test and if, following such consultation, the ICE determines that the results of the relevant performance test were

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inaccurate to a material extent or that the design and procedures used for the relevant performance test were inappropriate or incorrect to a material extent, the Issuer shall take such action as the ICE, in consultation with the project engineer, may deem to be appropriate to ensure that correct results are obtained for the relevant performance test;

(xviii) if the Issuer receives liquidated or other damages:-

- (a) under any Project Documents (other than any claim received in respect of the Guaranteed Net Output or Guaranteed Net Heat Rate (both as defined in the EPC) which shall be deposited directly into the PGA);
- (b) moneys or compensation in respect of the nationalisation of all or part of the undertaking assets, rights or revenues of, or in respect of, the Project; or
- (c) moneys in respect of the revocation, refusal, termination, suspension or modification of any licence, consent, permission, permit, order or other official permission restricting the continuation or operation of the Project;

such liquidated or other damages or compensation or moneys shall be paid into the PBA forthwith upon receipt by the Issuer for application in accordance with the terms and conditions of the Financing Documents;

(xix) the Issuer shall ensure that there are vested or will be vested free from any Security Interest (other than the Security Interest created pursuant to or permitted under the Financing Documents):-

- (a) in TNB, all land and easements, licences and rights-of-way referred to in the PPA, in the case if such right are necessary for the purpose of access to the relevant works;
- (b) in the Issuer, all other easements, wayleaves and rights necessary for commercial operation of the Plant; and

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- (c) in the Issuer, all other easements, wayleaves and rights of way necessary for the construction of the Plant,

in each case, necessary for the Project at the time;

- (xx) the Issuer shall ensure that all coal purchase contracts and coal transportation agreements to be entered into pursuant to the CSTA are assigned by TNB Fuel Services Sdn Bhd in favour of the Security Agent.

- 16 Clear Market Condition** From the date of acceptance of this offer until ninety (90) days after the launch of the Long Term Financing Facilities, the Issuer shall ensure that no other financing facilities or debt instruments or securities issued by the Issuer or any affiliates are mandated, placed or syndicated directly or on its behalf without the Joint Lead Arrangers' prior written consent save and except for the BG Facility, SBLC Facility, Permitted Indebtedness and the Junior Debt.
- 17 Changes in Circumstances** If, as a result of any change in applicable law, regulation or regulatory requirement or in the interpretation or application thereof or if compliance by the Facility Agent/ Joint Lead Arrangers/ issuing banks of the BG Facility /SBLC Facility with the applicable direction, request or requirement (whether or not having the force of law) will impose on the Facility Agent/ Joint Lead Arrangers/ issuing banks of the BG Facility /SBLC Facility any condition, burden or obligation, and upon notice to the Issuer after becoming aware of such occurrence or within such reasonable period as may be permitted by law or the authorities, the Facility Agent/ Joint Lead Arrangers/ issuing banks of the BG Facility /SBLC Facility shall:-
- (i) Where the change, interpretation or application makes it unlawful for the Facility Agent/ Joint Lead Arrangers/ issuing banks of the BG Facility /SBLC Facility to make available the Long Term Financing Facilities, without breaching such law or regulation, the Facility Agent/ Joint Lead Arrangers/ issuing banks of the BG Facility /SBLC Facility shall terminate its obligations in respect of the Long Term Financing Facilities; and
- (ii) Where the change, interpretation or application causes the Facility Agent/ Joint Lead Arrangers/ issuing banks of the BG Facility /SBLC Facility to incur additional costs or make further

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payments then the Issuer shall compensate the Facility Agent/ Joint Lead Arrangers/ issuing banks of the BG Facility /SBLC Facility for the additional cost incurred.

18 Adverse Market

The terms and conditions are subject to, in the opinion of the Joint Lead Arrangers:-

- (i) there being no adverse change in the domestic money, banking and/or capital markets;
- (ii) there being no adverse change in the international money, banking and/ or capital markets which would have adverse impact on the domestic money, banking and/ or capital markets;
- (iii) there being no adverse change in business activities and/ or financial standing of JEV; and/or
- (iv) there being no adverse change in the socio-political, financial and/or economic conditions of Malaysia which would have adverse impact on the domestic money, banking and/ or capital markets,

prior to the Financial Close, which could materially affect the successful completion of the Long Term Financing Facilities.

19 Taxation

All payments by the Issuer in respect of the Senior Islamic MTNs shall be made after 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 authority thereof or therein having power to tax and no additional amount shall be required to be paid by the Issuer in respect of such deduction or withholding.

All payments by the Issuer in respect of the BG Facility and SBLC Facility 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 authority thereof or therein having power to tax, unless such withholding or deduction is required by law, in which event the Issuer shall be required to pay such additional amount so that the payee would receive the full amount which the payee would have received if no such withholding or deductions had been made.

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20	Transaction Expenses	All reasonable and necessary fees and expenses related to the drafting, execution and/or administration of the Long Term Financing Facilities properly incurred will be for the account of the Issuer.
21	Currency	Ringgit Malaysia.
22	Documentation	Documentation to be mutually agreed between the Issuer and the Joint Lead Arrangers.
23	Governing Law	The Laws of Malaysia.
24	Other General Conditions	<p>(i) The finalisation of the terms for the Long Term Financing Facilities will be subject to a schedule for principal repayment and profit/interest payments for the subordinated debt/Junior Debt being mutually agreed between the Issuer and the Joint Lead Arrangers;</p> <p>(ii) Other terms and conditions to be mutually agreed between the Issuer and the Joint Lead Arrangers.</p>
25	Definitions	
	BG Facility	The bank guarantee facility of up to RM167.6 million in relation to the Project.
	Distribution Account	An account to be opened and maintained by the Issuer pursuant to the terms and conditions of the Junior Debt.
	Class A MTNs	The Islamic medium term notes to be issued pursuant to the Class A MTN Facility.
	Class A MTN Facility	Class A Islamic medium term note facility of up to the nominal value of RM800.0 million.
	Class B MTNs	The Islamic medium term notes to be issued pursuant to the Class B MTN Facility.
	Class B MTN Facility	Class B Islamic medium term note facility of up to the nominal value of RM215.0 million but subject to a minimum of RM200.0 million nominal value.
	Coal Producer	As referred to in the CSTA, a person operating a coal mine with mining rights capable of producing, exporting and selling coal or a person (being a related corporation of the holder of the mining rights who operates the mine capable of producing coal or a person whose owners are substantially similar to those of the holder of the mining rights) holding the right to export and sell the coal and, in either case, is a party

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	to a related coal purchase contract with TNB Fuel Services Sdn Bhd, the coal supplier to JEV.
Commercial Operation Date (“COD”) of the First Unit	<p>The date on which the First Unit, having fulfilled the requisite conditions under the PPA, enters into commercial operations.</p> <p>“First Unit” is the first generating set, which forms a part of the Plant Facility and comprises a coal fired boiler and a 700 MW nominal capacity steam turbine generator and ancillary equipment and facilities, to achieve its COD.</p>
COD of the Second Unit	<p>The date on which the Second Unit, having fulfilled the requisite conditions under the PPA, enters into commercial operations.</p> <p>“Second Unit” is the second generating set, which forms a part of the Plant Facility and comprises a coal fired boiler and a 700 MW nominal capacity steam turbine generator and ancillary equipment and facilities, to achieve its COD.</p>
Energy Commission	The Energy Commission established under the Energy Commission Act 2001.
EPU	The Economic Planning Unit of the Prime Minister’s Department.
Estimated Total Project Cost	<p>Up to RM5,800 million.</p> <p>For avoidance of doubt, computation of all Project related costs (“the Estimated Total Project Cost”) shall not take into account the construction costs of the TWA Works & wayleaves.</p>
Estimated Net Project Cost	<p>Means the Estimated Total Project Cost less:-</p> <p><u>Pre COD of the First Unit</u></p> <ol style="list-style-type: none"> (i) profit/interest earned on Permitted Investments, other revenues and payments received by the Issuer (including liquidated damages and insurance claims); and (ii) all credit balances in the TA that are transferred to the PBA, to the extent that such balances exceed the aggregate amounts paid into the TA from: <ol style="list-style-type: none"> (a) the PBA pursuant to paragraph (v) of item k above, and (b) disbursements under the RC Facility for financing the TWA Works.

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	<p><u>From COD of the First Unit until COD of the Second Unit</u></p> <p>(i) all revenues and payments received by the Issuer (including liquidated damages and insurance claims but excluding payments received in connection with the PPA); and</p> <p>(ii) all credit balances in the TA, that are transferred to the PBA.</p>
Financial Close	The date on which the documentation for the Long Term Financing Facilities has been duly executed and all conditions precedent thereunder have been satisfied or waived (as the case may be) by the Joint Lead Arrangers save that Financial Close for the BG Facility shall be the date on which the documentation for the BG Facility has been duly executed and all conditions precedent thereunder have been satisfied or waived (as the case may be) by the issuing banks thereof.
Financing Documents	The trust deed, facility agreements, security documents and other relevant documentation as may be advised by the Solicitors, setting out all terms and conditions in connection with the Long Term Financing Facilities.
Financial Ratios	
i. Debt Equity Ratio (“DE Ratio”)	The DE Ratio shall not exceed 85:15. DE Ratio will be defined as the ratio, at any given time, of the Total Indebtedness to its Shareholders’ Funds.
ii. Senior Finance Service Coverage Ratio (“FSCR”)	<p>The FSCR is the ratio of Net Available Cash to the Total Finance Service to be calculated every profit payment date under the Senior Islamic MTNs commencing on the FSCR Start Date</p> <p>The Issuer shall from the FSCR Start Date maintain a minimum FSCR of 1.25 times so long as any of the Long Term Financing Facilities shall remain outstanding.</p>
FSCR Start Date	Means the date falling on the second profit payment date of the Senior Islamic MTNs after COD of the Second Unit.
Long Term Financing Facilities	<p>The Long Term Financing Facilities shall comprise the following:-</p> <p>(i). The Senior Islamic MTNs Facility of up to RM4,847 million in nominal value;</p>

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		(ii). BG Facility of up to RM167.6 million; and
		(iii) SBLC Facility of up to RM72.0 million.
Material Adverse Effect		<p>“Material Adverse Effect” means an effect that has resulted or would reasonably result in</p> <p>(i) a material adverse effect in the financial condition, operation or business of the Issuer; or</p> <p>(ii) a material adverse effect on the ability of the Issuer to perform its obligations under any of the Transaction Documents.</p>
Minimum Balance	Required	<p>Minimum Required Balance is a level at least equal to the total finance service on the outstanding Long Term Financing Facilities during the next six (6) months namely principal and profit/interest save for any standby letter of credit and bank guarantee issued pursuant to the SBLC Facility and the BG Facility, as the case may be unless the same has been called due during such period.</p>
Net Available Cash		<p>Net Available Cash is the aggregate of:-</p> <p>(i) cash balances standing to the credit of all the Designated Accounts (other than the PGA) as at such calculation date including the amounts available for drawing under the TNB SBLC; and</p> <p>(ii) the value of Permitted Investments from monies standing to the credit of all the Designated Accounts (other than the PGA) as at such calculation.</p>
Permitted Indebtedness		<p>the Permitted Indebtedness which consists of:-</p> <p>(i) Revolving Credit Facility (“RC Facility”) of up to RM30 million (if required) in relation to the Project, where the Joint Lead Arrangers shall be given the first right of refusal to arrange and provide the RC Facility;</p> <p>(ii) Indebtedness in respect of any hire purchase or leasing of any equipment or goods or vehicles incurred or assumed by the Issuer for the purpose of the Project in respect of which the aggregate principal amount granted by such lenders, does not at any time exceed RM5.0 million; and</p>

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	(iii) hedging arrangements entered into by the Issuer to hedge the foreign exchange exposure arising from the payments under the EPC.
Plant	The 1,400 Megawatt (“MW”) net capacity power plant, comprising two steam-electric coal-fired units, each unit with a nominal 700 MW net capacity (including all related facilities) and ancillary infrastructure, to be constructed in Kuala Lukut, Mukim Jimah, Negeri Sembilan Darul Khusus and includes any Modification thereto.
Project	The design, engineering, procurement, construction, installation, commissioning, testing, operations and maintenance of the Plant (as defined hereinafter), the Fuel Facilities (as defined in the PPA) and the Project Land, the Interconnection Facilities (as defined in the PPA) and associated facilities and any Modification (as defined in the PPA) thereto and includes the TWA Works.
Project Documents	<p><u>Pre-Financial Close</u></p> <ul style="list-style-type: none"> (i) the Power Purchase Agreement (“PPA”); (ii) the Transmission Works Agreement (“TWA”); (iii) the Coal Supply and Transportation Agreement (“CSTA”); (iv) the Engineering, Procurement and Construction contract (“EPC”) and associated bonds and guarantees from or on behalf of the EPC contractor; (v) the Land Lease Agreement; (vi) the Operation & Maintenance Agreement (“O&M Agreement”) (including any agreement in relation to technical alliance, if any); (vii) the insurances relating to the Project; (viii) the Project Management Agreement; (ix) the Spare Parts Supply, Maintenance Services and Technical Personnel Despatch Agreement; and (x) any other agreement or document that is material to the Project as may be reasonably determined by the Joint Lead Arrangers and agreed by the Issuer.

Post-Financial Close

Any agreement or document that is material to the Project as may be reasonably determined by the Joint

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	Lead Arrangers and/or the Trustee and subject to prior notice of such determination given to the Issuer.
Project Land	The land held under title HSD 29685 for Lot No. PT 7308 and HSD 29686 for Lot No. PT 7309, both in the Mukim of Jimah, Daerah Port Dickson whereupon the Project is or is to be located.
SBLC Facility	The standby letter of credit facility of up to RM72.0 million in relation to the Project.
SC	Securities Commission of Malaysia.
Senior Islamic Fixed Rate MTNs	The Islamic fixed rate medium term notes of up to the nominal value of RM4,190.0 million.
Senior Islamic Floating Rate MTNs	The Islamic floating rate medium term notes of up to the nominal value of RM657.0 million
Senior Islamic MTNs	The Islamic medium term notes to be issued pursuant to the Senior Islamic MTNs Facility comprising:- (a) Senior Islamic Fixed Rate MTNs; and (b) Senior Islamic Floating Rate MTNs.
Senior Islamic MTNs Facility	The Islamic medium term notes issuance facility of up to the nominal value of RM4,847.0 million in accordance with the Syariah principle of Istisna’.
Shareholders’ Funds	Shareholders’ Funds shall comprise:- (i) Common equity in the Issuer in the form of ordinary shares, preference shares or quasi equity instrument; (ii) Reserves (including any retained earnings or losses); (iii) All principal outstanding under the junior debt of up to RM895.0 million in principal amount (“Junior Debt”). However, it shall not include profit or, if applicable, capitalisation of profit on the Junior Debt; and (iv) all subordinated loans from the Issuer’s shareholders in any form provided that they are subordinated to all unsecured creditors of the Issuer. However, it shall not include profit/interest or, if applicable, capitalisation of profit/interest on such loans.

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The above definition is subject to the following conditions applying, that is, the Shareholders’ Funds shall:-

- (i) comprise at least 15.0% of the Estimated Net Project Cost; and
- (ii) for the purposes of computing DE Ratio, mean the following:-
 - (a) prior to COD of the Second Unit, the Shareholders’ Funds shall not include any reserves; and
 - (b) from COD of the Second Unit, reserves shall be adjusted for pre-operating expenses incurred up to COD of the Second Unit where such expenses shall be deemed to be amortised in equal instalments over a period of 25 years. The Shareholders’ Funds shall, from COD of the Second Unit (and not before), also include the standby letter of credit of up to RM360 million provided by TNB to JEV under the PPA (“TNB SBLC”) provided that for the purposes of determining the DE Ratio for the declaration and payment of dividends under item (ii) of the Negative Covenants, the Shareholders’ Funds shall not include the TNB SBLC.

During the period prior to COD of the Second Unit, Shareholders’ Funds shall be progressively built up in order to maintain the DE Ratio (via progressive drawings of the Junior Debt) provided that prior to Financial Close, injection of equity in the form of ordinary paid-up shares, preference shares, shareholders’ advances and/or loan stocks shall have been made by the Issuer’s shareholders as stated under Conditions Precedent as set out in item (v)(B)(i).

SPV Financing Facilities	Collectively, Class A MTN Facility and Class B MTN Facility
SPV	Special Power Vehicle Berhad (Company No. 675225-K)
TNB	Tenaga Nasional Berhad (Company No. 200866-W).
Total Finance Service	Total Finance Service is the aggregate of:- <ul style="list-style-type: none"> (i) all amounts due and payable under the outstanding Senior Islamic MTNs and amount drawn under the BG Facility /SBLC Facility as

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at such calculation date; and

- (ii) all other outstanding amounts due and payable arising from Permitted Indebtedness of the Issuer as at such calculation date.

For the avoidance of doubt, Total Finance Service shall not include the Junior Debt and/or any subordinated loans from the Issuer’s shareholders. Also, any double counting shall be disregarded.

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| Total Indebtedness | <ul style="list-style-type: none"> (i) amounts drawdown, utilised and outstanding under the Long Term Financing Facilities (be it actual or contingent). For avoidance of doubt, only issued primary notes of the Senior Islamic MTNs, letters of credit and bank guarantees issued pursuant to the SBLC Facility and the BG Facility respectively shall be included as part of the Long Term Financing Facilities for this purpose; (ii) principal amount outstanding under the Permitted Indebtedness (be it actual or contingent); and (iii) where the incurring of the same is so permitted by the Trustee and/or Joint Lead Arrangers upfront, net exposure determined on a marked to market basis under any derivative instrument and obligations (save and except for any hedging arrangements entered into to hedge the foreign exchange exposure arising from the payments under the EPC, which for the avoidance of doubt are permitted and will not be included as part of Total Indebtedness); |
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For avoidance of doubt, Total Indebtedness shall exclude the Junior Debt and subordinated loans from the Issuer’s shareholders and any double counting shall be disregarded.

Transaction Documents	Collectively, the Financing Documents (as defined hereinafter) and the Project Documents.
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TWA Works	<p>The design, construction, engineering, installation, testing and commissioning of the following transmission lines:-</p> <ul style="list-style-type: none"> (a) the double-circuit 500 kilovolt (“kV”), 2800 megavolt ampere (“MVA”) per circuit line, transmission line connecting the Plant to the Lenggeng 500/275 kV substation of approximately fifty-one (51) kilometres in length;
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and

- (b) the double-circuit 500 kV, 2800 MVA per circuit line, transmission line connecting the Lenggeng 500/275 kV substation to the Olak Lempit 275 kV substation of approximately forty-eight (48) kilometres in length

and all other works in relation thereto.