

PRINCIPAL TERMS AND CONDITIONS**1. Background Information on the Issuer**

- (i) **Name** : Impian Ekspresi Sdn. Bhd. (“**IESB**” or the “**Issuer**”)
- (ii) **Address** : **Registered Address**
6-2, Level 6
East Wing, Menara ING
No. 84, Jalan Raja Chulan
50200 Kuala Lumpur
Malaysia

Business Address
5-2, Level 5, Pavilion Tower
75 Jalan Raja Chulan
50200 Kuala Lumpur
Malaysia
- (iii) **Business Registration No.** : 513545-W.
- (iv) **Date and Place of Incorporation** : 5 May 2000 / Malaysia
- (v) **Date of Listing, where applicable** : Not applicable.
- (vi) **Status on residence, i.e. whether it is a resident controlled company or non-resident controlled company** : Resident controlled company.
- (vii) **Principal Activities** : Property Development.
- (viii) **Board of Directors as at 30 August 2013** : (a) Mej (B) Hj Zainal Bin Bador
(b) Ooi Ah Heong
(c) Timothy Liew Thau Ee

- (ix) **Structure of shareholdings and name of shareholders or, in the case of a public company, names of all substantial shareholders as at 30 August 2013** :

Shareholder	No. of ordinary shares held	Percentage owned (%)
Ombak Mutiara Sdn. Bhd.	49,000	49%
Anjurantau Sdn. Bhd.	51,000	51%

- (x) **Authorised, Issued and Paid-up Capital as at 30 August 2013** :
- Authorised share capital is RM100,000.00 divided into 100,000 ordinary shares of RM1.00 each.

Issued and paid-up share capital is RM100,000.00 divided into 100,000 ordinary shares of RM1.00 each.

- (xi) **Disclosure of the following:** : Nil.

- *If the Issuer or its board members have been convicted or charged with any offence under the securities laws, corporation laws or other laws involving fraud or dishonesty in a court of law, for the past five years prior to the date of the application; and*
- *If the Issuer has been subjected to any action by the stock exchange for any breach of the listing requirements or rules issued by the stock exchange, for the past five years prior to the date of application.*

2. Principal Terms and Conditions

(a) Names of parties involved in the proposal, where applicable

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|--------|---------------------------|--|
| (i) | Principal Adviser | : Maybank Investment Bank Berhad (Company No. 15938-H) (" Maybank IB ") |
| (ii) | Sole Lead Arranger | : Maybank IB (the " LA ") |
| (iii) | Co-Arranger | : Not applicable. |
| (iv) | Solicitor | : Rahmat Lim & Partners |
| (v) | Financial Adviser | : Maybank IB |
| (vi) | Technical Adviser | : Not applicable. |
| (vii) | Bond Trustee | : Maybank Trustees Berhad (Company No. 5004-P) |
| (viii) | Guarantor | : Danajamin Nasional Berhad (Company No. 854686-K) (" Danajamin ") and Malayan Banking Berhad (Company No. 3813-K) (" MBB " or " BG Guarantor "). |

The guarantee facilities comprising a financial guarantee insurance facility of up to a maximum nominal/principal amount of RM300.0 million and such amount equivalent to one coupon thereon granted by Danajamin (the "**FGI Facility**") and a bank guarantee facility of up to a maximum nominal/principal amount of RM150.0 million and such amount equivalent to one coupon thereon granted by MBB (the "**BG Facility**") (collectively known as the "**Guarantee Facilities**") are to be made available to the Issuer by each of the Guarantors.

MTN (as defined hereinafter) guaranteed by the financial guarantee insurance policy issued pursuant to the FGI Facility (the "**FGI Policy**") shall hereinafter be referred to as "**MTN(fg)**". MTN guaranteed by the bank guarantee issued pursuant to the BG Facility (the "**BG**") shall hereinafter be referred to as "**MTN(bg)**". Each

issuance of MTN(fg) or MTN(bg), as the case may be, whether of similar or different tenures, shall be known as a "Series".

- (ix) **Valuer** : Not applicable.
- (x) **Facility Agent** : Maybank IB
- (xi) **Primary Subscriber (under a bought-deal arrangement) and Amount Subscribed** : To be determined prior to each issuance.
- (xii) **Underwriter and Amount Underwritten** : To be determined prior to each issuance.
- (xiii) **Central Depository** : Bank Negara Malaysia ("BNM")
- (xiv) **Paying Agent** : BNM.
- (xv) **Reporting Accountant** : Not applicable.
- (xvi) **Calculation Agent** : Not applicable.
- (xvii) **Others (please specify)**
- Sole Lead Manager** : Maybank IB
- (b) **Facility Description** : Guaranteed Medium Term Notes Programme (the "**Guaranteed MTN Programme**") for the issuance of guaranteed Medium Term Notes (the "**MTN**").
- (c) **Issue / Programme Size** : The aggregate outstanding nominal value of the MTN issued pursuant to the Guaranteed MTN Programme shall not exceed RM450.0 million at any point in time.
- (d) **Tenure of Issue / Debt Programme** : Tenure of the Guaranteed MTN Programme
The tenure of the Guaranteed MTN Programme is up to ten (10) years from the date of the first issuance of the MTN under the Guaranteed MTN Programme.

Tenure of MTN

More than one (1) year and up to ten (10) years as the Issuer may select, provided that all the MTN shall mature prior to the expiry of the Guaranteed MTN Programme.

- (e) **Availability Period of Debt Programme** : The period commencing on the date the conditions precedent of the Guaranteed MTN Programme are fulfilled or waived (as the case may be), and ending on the expiry of the tenure of the Guaranteed MTN Programme, provided that the first issuance shall take place within two (2) years from the date of the Securities Commission Malaysia's (the "SC") approval.
- (f) **Interest / Coupon Rate** : To be determined prior to each issuance.
- (g) **Interest / Coupon Payment Frequency** : Semi-annually or such other period to be agreed upon between the Issuer and the Sole Lead Manager prior to each issuance of the MTN.
- (h) **Interest / Coupon Payment Basis** : Actual number of days / 365 days.
- (i) **Security / Collateral, where applicable** : Clean. However the Issuer's obligations under each Series of the MTN under the Guaranteed MTN Programme shall be severally guaranteed by the BG or the FGI Policy, as the case may be, up to the respective guarantee commitments of the Guarantors.
- (j) **Details on Utilisation of Proceeds** : Proceeds raised from the first issuance of MTN under the Guaranteed MTN Programme will be used to part finance the cash portion of the consideration for the acquisition of the freehold land measuring 38,740 square meters in land area held under Geran 61509, Lot No. 54325, Mukim Kuala Lumpur, District of Kuala Lumpur including the duly completed nine blocks of office commercial buildings situated thereon currently known as Pusat Bandar Damansara Kuala Lumpur (the "PBD

Complex") but excluding the 25 parcels of properties within the PBD Complex which have been sold to third parties and an area measuring approximately 1,231.25 square metres subject to compulsory acquisition under the Land Acquisition Act 1960.

Proceeds from subsequent issuances of MTN will be utilised for general investments and/or to refinance any borrowings/financing of the Issuer.

(k) Sinking Fund and Designated Accounts, where applicable : Not applicable.

(l) Rating

- **Credit Rating Assigned and whether the rating is final or indicative** : The Guaranteed MTN Programme has been accorded an indicative long term rating of AAA_(bg) in respect of the MTN(bg) and AAA_(fg) in respect of the MTN(fg).

- **Name of Credit Rating Agency** : RAM Rating Services Berhad (Company No. 763588-T) (the "**Credit Rating Agency**")

(m) Mode of Issue : The MTN may be issued on a bought deal basis, direct placement on a best effort basis or book building on a best effort basis.

The issuance of the MTN under the Guaranteed MTN Programme shall be in accordance with the MyClear Rules and Procedures (as defined below), subject to such exemptions (if any) granted from time to time.

(n) Selling Restriction, including Tradability (i.e. tradable or non-tradable) : **At the point of issuance:**

The MTN may only be offered, sold, transferred or otherwise disposed directly or indirectly to a person to whom an offer or invitation to subscribe for the MTN is made and to whom the MTN are issued would fall within Schedule 6 (or Section

229(1)(b)) and Schedule 7 (or Section 230(1)(b)) of the Capital Markets and Services Act 2007 (the “**CMSA**”), as amended from time to time, read together with Schedule 9 (or Section 257(3)) of the CMSA and which does not constitute an offer to the public within the meaning of Section 4(6) of the Companies Act 1965.

After issuance:

The MTN may only be offered, sold, transferred or otherwise disposed directly or indirectly to a person to whom an offer or invitation to purchase the MTN would fall within Schedule 6 (or Section 229(1)(b)) of the CMSA read together with Schedule 9 (or Section 257(3)) of the CMSA and which does not constitute an offer to the public within the meaning of Section 4(6) of the Companies Act 1965.

The MTN are tradable subject to the selling restrictions set out above.

(o) ***Listing Status and Types of Listing*** : The MTN shall not be listed on Bursa Malaysia Securities Berhad (“**Bursa Securities**”) or any other stock exchange. However, the MTN may be listed under the Exempt Regime (as defined in the Main Market Listing Requirements of Bursa Securities) of Bursa Securities.

(p) ***Other regulatory approvals required in relation to the issue, offer or invitation and whether or not obtained (please specify)*** : Not applicable.

(q) ***Conditions Precedent*** : **Conditions Precedent prior to first issuance**

Conditions precedent typical and customary for a facility of this nature including but not limited to and shall be in the form and substance acceptable to the LA:

Main Documentation

- (a) The Transaction Documents (as defined herein) and all other relevant documents in form and substance satisfactory to the LA and the Solicitors, and such documents having been duly executed and, where applicable, stamped (unless otherwise exempted) and presented for registration (where applicable); and
- (b) All relevant notices and acknowledgements (where applicable) shall have been made or received as the case may be.

Issuer

- (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, 44 and 49 of the Issuer;
- (c) A certified true copy of the board resolution of the Issuer authorising, among others, the issuance of the MTN and the execution of the relevant Transaction Documents under the Guaranteed MTN Programme to which the Issuer is a party;
- (d) A list of the Issuer's authorised signatories and their respective specimen signatures;
- (e) A report of the relevant company search of the Issuer; and
- (f) A report of the relevant winding up search or the relevant statutory declaration of the Issuer confirming that the Issuer has not been wound

up.

General

- (a) Evidence that the approval from the SC in respect of the Guaranteed MTN Programme has been obtained;
- (b) Written legal opinion from the Solicitors addressed to the LA confirming among others:-
 - i. the legality, validity and enforceability of the Transaction Documents; and
 - ii. all conditions precedents have been fulfilled or waived (as the case may be);
- (c) Confirmation from the Credit Rating Agency that the Guaranteed MTN Programme has received the requisite ratings as stated in these principal terms and conditions;
- (d) All transaction fees, costs and expenses in relation to the Guaranteed MTN Programme have been paid in full or an arrangement (acceptable to the LA) being agreed upon with the Issuer for the payment of such fees, costs and expenses; and
- (e) Such other conditions precedent as may be advised by the Solicitors.

Conditions Precedent for each issuance of MTN

- (a) Issuer's confirmation that it is in compliance with all Representations and Warranties and no Event of Default or potential Event of Default has occurred or is continuing; and

- (b) Such other conditions precedent as may be advised by the Solicitors.

(r) **Representations and Warranties** : The representations and warranties typical and customary for a medium term notes programme of this nature including but not limited to:-

- (a) The Issuer is duly established and validly existing under the laws of Malaysia and has the power and authority to enter into the business in which it is engaged, and to own its property and assets, and has full beneficial ownership of all its property and assets;
- (b) The Issuer has the power to enter into, exercise its rights under and perform its obligations under the respective Transaction Documents;
- (c) All necessary actions, authorisations and consents required to be performed by the Issuer under the Transaction Documents to which it is a party has been taken, fulfilled and obtained and remain in full force and effect;
- (d) The Issuer's entry into, exercise of its rights under and performance of its obligations under the Transaction Documents to which it is a party does not and will not violate any existing law or any agreements to which it is a party or its memorandum and articles of association;
- (e) The Issuer's latest audited accounts have been prepared in accordance with accounting principles and standards generally accepted in Malaysia and fairly represent the financial position of the Issuer as at such date;

- (f) No event that would constitute a contravention of or default under the Transaction Documents to which the Issuer is a party has occurred and is continuing; and
- (g) Any other representations and warranties which may be advised by the Solicitors.

(s) Events of Default

: The events of default typical and customary for a medium term notes programme of this nature including but not limited to:-

(i) Non-Payments:

- (1) the Issuer fails to pay any amount due from it under the MTN;
- (2) the Issuer fails to pay any amount due from it under any of the Transaction Documents to which it is a party (other than under clause (i)(1)) on the due date or date of demand, if so payable;

(ii) Other Breaches:

the Issuer breaches any of its obligations or terms and conditions under any of the Transaction Documents to which it is a party (other than under clause (i)) which has a Material Adverse Effect and, if such breach in the reasonable opinion of the Trustee is capable of being remedied, the Issuer does not remedy the breach within a period of thirty (30) days after the Issuer became aware or having been notified by the Trustee of the breach, whichever is earlier;

(iii) **Misrepresentation:**

any representation, warranty or statement which is made by the Issuer in the Transaction Documents is or proves to be incorrect in any material respect or misleading which will in the reasonable opinion of the Trustee have a Material Adverse Effect;

(iv) **Invalidity:**

any provision of the Transaction Documents is or becomes, for any reason, invalid, illegal, void or unenforceable which would prevent the Issuer from or entitle the Issuer to refrain from performing any of its obligations thereunder;

(v) **Cessation of business:**

the Issuer ceases to carry on all or a substantial part of its business operations as carried out as at the date of the Trust Deed, which will in the reasonable opinion of the Trustee have a Material Adverse Effect;

(vi) **Appointment of receiver, legal process:**

an encumbrancer takes possession of, or a trustee, liquidator, receiver or similar officer is appointed in respect of, all or a substantial part of the business, assets or undertaking of the Issuer and is not paid out, withdrawn or discharged within thirty (30) days of such appointment, and which will have a Material Adverse Effect;

(vii) **Insolvency:**

the Issuer is unable to pay its debts

within Section 218(2) of the Companies Act, 1965 and the Issuer has not taken any action in good faith to set aside such claims within twenty one (21) days from the date of service of such claims for payment;

(viii) **Winding-up:**

a resolution being passed or an order of court is made that the Issuer be wound up or similar proceedings which are reasonably determined by the Trustee to be analogous in effect being instituted (other than for the purposes of an intra Group reorganisation on a solvent basis or an amalgamation, merger or reconstruction the terms whereof have previously been approved by the Trustee unless during or following such reconstruction the Issuer becomes or is declared to be insolvent); or a bona fide petition (which for the avoidance of doubt, excludes a frivolous or vexatious petition) is presented for the winding-up or dissolution of the Issuer by an order of a court of competent jurisdiction unless such petition is stayed, withdrawn or dismissed within sixty (60) days (or such extended period as the Trustee may consent, such consent not to be unreasonably withheld) of its presentation. For purposes of these Principal Terms and Conditions, “**Group**” means the Issuer and its subsidiaries, if any;

(ix) **Section 176 of the Companies Act 1965:**

the Issuer undergoes any scheme of reconstruction, arrangement or compromise pursuant to Section 176 of the Companies Act 1965 or such

scheme has been instituted against it;

(x) **Revocation of Licence, Authorisation and Approval:**

where there is a revocation, withholding, invalidation or modification of a licence, authorization or approval that impairs or prejudices the Issuer's ability to comply with the terms and conditions of the MTN or the provisions of the Transaction Documents;

(xi) **Assets:**

all or a material part of the property or assets of the Issuer shall be condemned, seized or otherwise appropriated, nationalised or compulsorily acquired by any person acting under the authority of any governmental body, which will in the reasonable opinion of the Trustee have a Material Adverse Effect;

(xii) **Composition:**

the Issuer makes a general assignment or enters into an arrangement or composition with or for the benefit of its creditors in respect of all or a material part of (or a particular type of) its indebtedness;

(xiii) **Repudiation:**

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;

(xiv) Cross Default:

any indebtedness of any member of the Group for monies borrowed becomes due or payable or capable of being declared due or payable prior to its stated maturity by reason of a default by any member of the Group in its obligations in respect of the same, or any member of the Group fails to make any payment in respect thereof on the due date for such payment or if due on demand when demanded or the security for any such indebtedness becomes enforceable or any guarantee or similar obligations of any member of the Group for any such indebtedness is not discharged at maturity or when called provided that no Event of Default under this clause (xiv) shall occur if the aggregate amount of indebtedness for monies borrowed is less than fifty per centum (50.0%) of the Group's total borrowed monies (including Islamic financing but excluding the MTN issued under the Guaranteed MTN Programme) or Ringgit Malaysia One Hundred Million (RM100.0 Million), whichever is the higher.

(xv) Judgment passed:

the Issuer fails to satisfy any judgment which has a Material Adverse Effect passed against it by any court of competent jurisdiction and no appeal against such judgment has been made to the appropriate appellate court within the time prescribed by law or such appeal has been dismissed;

(xvi) FGI Policy/BG:

Danajamin and/or MBB has served a notice on the Trustee to require the

Trustee to make a demand or claim on the FGI Policy or BG respectively pursuant to and in accordance with the terms of the FGI Facility or BG Facility and the FGI Policy or BG;

(xvii) Events Relating to the Guarantors:

Occurrence of any of the following events:

- (a) the FGI Policy and/or BG ceases to be, or is claimed by any of the Guarantors not to be, in full force and effect;
- (b) it is or will become unlawful for any of the Guarantors to perform or comply with any one or more of its obligations under the FGI Policy and/or BG respectively;
- (c) a resolution being passed or an order of court is made that any of the Guarantors be wound up or similar proceedings which are reasonably determined by the Trustee to be analogous in effect being instituted or a bona fide petition (which for the avoidance of doubt, excludes frivolous or vexatious petition) is presented for the winding-up or dissolution of any of the Guarantors by an order of a court of competent jurisdiction unless an application to stay, withdraw or dismiss such petition has been filed by the relevant Guarantor with the relevant authority within thirty (30) days of its presentation and such petition is stayed, withdrawn or dismissed within seventy five (75) days of its presentation;

- (d) any of the Guarantors stops or threatens to stop payment in respect of monies borrowed or any guarantee (including any financial guarantee insurance policy and bank guarantee) by any of the Guarantors is not honoured when due and called upon or any indebtedness of any of the Guarantors for monies borrowed becomes due or payable or capable of being declared due or payable prior to its stated maturity by reason of a default by any of the Guarantors in its obligations in respect of the same, provided that the aggregate amount of any of the Guarantors' obligations in respect of which one or more of the events set out herein has occurred equals or exceeds RM100.0 million;
- (e) any of the Guarantors ceases to carry on its entire business operations;
- (f) any of the Guarantors repudiates the FGI Policy and/or BG or does or causes to be done any act or thing evidencing an intention to repudiate the FGI Policy and/or BG;
- (g) any of the Guarantors is unable to pay its debts within Section 218(2) of the Companies Act, 1965 and the relevant Guarantors has not taken any action in good faith to set aside such claims within twenty one (21) days from the date of service of such claims for payment.

Upon the occurrence of an Event of Default (other than item (xvi)), the Trustee

may, or shall if directed to do so by the MTN holders pursuant to a special resolution, declare that an Event of Default has occurred in respect of the MTN, whereupon:

- (1) all outstanding MTN under the Guaranteed MTN Programme shall become immediately due and payable; and
- (2) the Trustee shall submit a claim on the BG and FGI Policy.

Upon the occurrence of the Events of Default referred to in item (xvi), the Trustee shall without the need to seek further instructions or directions from the MTN holders, declare that such Event of Default has occurred, whereupon:

- (1) all outstanding MTN under the Guaranteed MTN Programme shall become immediately due and payable; and
- (2) the Trustee shall submit a claim on the BG and FGI Policy.

(t) Covenants

(i) Information Covenants

: Information covenants typical and customary for an issue of this nature including but not limited to:-

- (a) The Issuer shall provide the Trustee at least on an annual basis within 180 days from the end of its financial year, a certificate confirming that it has complied with all its obligations under the Transaction Documents and the terms and conditions of the MTN and there does not exist or had not existed, from the date the MTN were issued, any Event of Default, and if such is not the case, to specify the same;

- (b) The Issuer shall provide the Trustee any information which the Trustee may reasonably require in order to discharge its duties and obligations under the Trust Deed relating to the Issuer's affairs to the extent permitted by law;
- (c) The Issuer shall deliver to the Trustee the following:
 - (i) Annual audited financial statements within 180 days from its financial year end, and such other information (financial or otherwise) as the Trustee may reasonably require from time to time;
 - (ii) Half-yearly unaudited financial statements / management accounts within 90 days from the end of each half-year;
 - (iii) Any other accounts, report, notice, statement or circular promptly after such document is issued to the shareholder; and
 - (iv) Promptly after receipt of such request by the Trustee, any other material information relating to its business, affairs and financial condition as may from time to time reasonably requested by the Trustee in order to discharge its duties and obligations as Trustee from time to time, to the extent permitted by law.
- (d) The Issuer must make available the following information and documents to the targeted investors of the MTN throughout the availability period of the Guaranteed MTN Programme:
 - (i) the latest annual audited financial

statements; and

- (ii) announce through the Fully Automated System for Issuing/Tendering that the said annual audited financial statements have been made available and specify where investors can obtain a copy of the annual audited financial statements.

(ii) Positive Covenants

: The Issuer shall provide covenants which are typical and customary for an issuance of this nature including but not limited to:-

- (a) Perform all its obligations under and comply with all provisions of the Transaction Documents to which it is a party;
- (b) Redeem or settle in full all outstanding MTN in accordance with the terms and conditions of the Guaranteed MTN Programme;
- (c) Perform and carry out all its obligations under all the Transaction Documents (including but not limited to redeeming the MTN on the relevant maturity date(s) or any other date on which the MTN are due and payable) and ensure that it shall notify the Trustee in the event that the Issuer is unable to fulfill or comply with any of the provisions of the Transaction Documents;
- (d) Obtain, preserve, keep in force and effect and promptly renew from time to time all licences, rights, authorisations, approvals, consents and exemptions, registrations, recordings, filings or notarisations which are required under the applicable law or regulation including those necessary for the Issuer to own its assets, the carrying out of the

businesses of the Issuer or to ensure the validity, enforceability or priority of its liabilities and obligations or the rights of the Trustee, the MTN holders or any other party under the Transaction Documents and shall comply with the terms and conditions of the same;

- (e) Preserve and maintain good and valid title to its properties and assets;
- (f) Pay and discharge all taxes imposed upon it or its assets within the time period allowed without incurring penalties save to the extent that (i) payment is being contested in good faith, and for which adequate reserves are being maintained for those taxes, or (ii) payment can be lawfully withheld;
- (g) To the extent required by law, punctually pay and discharge all indebtedness payable by it;
- (h) Utilise the issue proceeds for the purpose as represented herein;
- (i) Appoint from time to time such auditor or firm of auditors duly licensed by its respective governing bodies;
- (j) Ensure that the terms in any of the Transaction Documents do not contain any matter which is inconsistent with the provisions of the information memorandum issued in relation to the Guaranteed MTN Programme (**“Information Memorandum”**);
- (k) Acquire and maintain the necessary insurance policies;
- (l) Execute all such further documents and do all such further acts

reasonably necessary at any time or times to give further effect to the terms and conditions of the Trust Deed;

- (m) Comply with all applicable and relevant laws and regulations (including but not limited to the CMSA, the Companies Act 1965 and all other relevant SC's guidelines) with regards to the Guaranteed MTN Programme and continue to comply with any conditions imposed by such regulatory bodies throughout the tenure of the Guaranteed MTN Programme;
- (n) Exercise reasonable diligence in carrying out its business in a proper and efficient manner which should ensure, amongst others that all necessary approvals or relevant licenses are obtained;
- (o) Notify the Trustee immediately in the event that the Issuer becomes aware of the following:
 - (i) Any amount secured or payable under the MTN becomes immediately payable;
 - (ii) Any circumstances that has occurred that would materially prejudice the Issuer, the Guarantors or the BG/FGI Policy;
 - (iii) Any claims against it which could have a Material Adverse Effect (as defined herein) under the Transaction Documents to which it is a party and any action that the Issuer is taking in relation to such claims;
 - (iv) Any change in the withholding tax position or taxing jurisdiction

of the Issuer insofar as it affects the payment obligations of the Issuer under the Trust Deed;

- (v) Any take-overs, mergers, acquisitions and divestments undertaken by the Issuer which may affect its financial or liquidity position;
 - (vi) Any Event of Default or that such other right or remedy under the terms, provisions and covenants of any of the Transaction Documents or the MTN have become immediately enforceable;
 - (vii) Any substantial change in the nature of the business of the Issuer or the Guarantors;
 - (viii) Any change in the Guarantors;
 - (ix) Any cessation of liability of the Guarantors for the payment of the whole or part of the moneys for which it is liable under the BG Facility/FGI Facility;
 - (x) Any change in the utilisation of proceeds of the MTN from that stated in the Transaction Documents and/or the Information Memorandum; and
 - (xi) Any other matters that may materially prejudice the interest of the MTN holders.
- (p) Maintain and keep proper books and accounts at all times in compliance with applicable statutory requirements and in accordance with generally accepted accounting principles in Malaysia and provide the Trustee and any person appointed by it, e.g. auditors, access

to such books and accounts to the extent permitted by law;

- (q) Maintain a paying agent in Malaysia and procure that the paying agent notifies the Trustee in the event the paying agent does not receive payment from the Issuer on the due dates as required under the Transaction Documents;
- (r) Ensure that a credit rating is made available throughout the tenure of the Guaranteed MTN Programme, unless the rating is suspended or withdrawn by the Credit Rating Agency. In this regard, the Issuer must undertake to provide relevant information on a continuous basis to the Credit Rating Agency involved, in accordance with the format and frequency as agreed with the Credit Rating Agency, so that timely dissemination of relevant information and rating analysis can be made available to the investors of the MTN;
- (s) Ensure that the rating report is published by the Credit Rating Agency as soon as the rating has been finalized, or at least seven (7) business days prior to the issuance of the MTN; and
- (t) Such other covenants as may be advised by the Solicitors.

(iii) Negative Covenants

: The Issuer without the prior written consent of the Trustee, shall not do any of the following, which shall include but not limited to:-

- (a) Constitutional Document: add to, delete, vary, amend or substitute its memorandum and articles of association to be inconsistent with the provisions under the Transaction Documents;

- (b) Dissolution: dissolve its affairs or consolidate with or merge with any other person or into another entity or otherwise, which would have a Material Adverse Effect;
- (c) Surrender Rights etc: cancel, surrender, transfer, assign, relinquish or otherwise dispose of any of its rights and interest under the Transaction Documents (except as permitted under the Transaction Documents), which would have a Material Adverse Effect;
- (d) Indebtedness: incur any further indebtedness for borrowed money whatsoever save and except for the MTN and the Secured Facilities.

For purposes of these Principal Terms and Conditions, “**Secured Facilities**” means collectively, the BG Facility, the FGI Facility, the term loan facilities of up to RM400.0 million and the bank guarantee facility of up to RM5.0 million, all of which to be obtained by the Issuer at or about the same time the Guaranteed MTN Programme is established;

- (e) Security interest: create any security interest over all or any of its assets, business and/or undertakings save to facilitate the Secured Facilities;
- (f) Financing: the Issuer shall not obtain or permit to exist any financings/loans or advances from its shareholders, unless these financings/loans and advances are subordinated to the Guaranteed MTN Programme;
- (g) Share capital: reduce or in any way alter (except by way of an increase)

its authorised and issued paid-up capital;

- (h) No Change in Business: threaten to change, change or cause or permit to change the nature or scope of its existing business or operations or suspend its existing business operations, which would have a Material Adverse Effect;
- (i) Licences: cancel, surrender, abandon or otherwise amend or permit to be cancelled, surrendered, abandoned or otherwise amended, any licences, grant, consents, approvals or authorisations in any way which would have a Material Adverse Effect, unless imposed by any applicable law or authorities;
- (j) Related party transaction: Enter into a transaction whether directly or indirectly with interested persons unless such transaction shall be on terms that are no less favourable to the Issuer than those which could have been obtained in a comparable transaction from persons who are not interested persons;
- (k) Rating Requirement: Replace the Credit Rating Agency during the tenure of the Guaranteed MTN Programme unless the Issuer has obtained the approval of the MTN holders by way of a special resolution; and
- (l) Others: Such other negative covenants as may be advised by the Solicitors.

(u) Provisions on Buy-Back and Early Redemption of Bonds

(i) Buy-back : The Issuer may at any time purchase the MTN in the open market at the then market price or by private treaty, but these purchased MTN shall be cancelled and cannot be reissued or resold.

(ii) Early Redemption : Not applicable.

(v) Other Principal Terms and Conditions for the Issue

(1) BG/FGI Policy : The BG Guarantor shall issue the BG and Danajamin shall issue the FGI Policy respectively in favour of the Trustee, proportionate to their guarantee commitment under the BG Facility/FGI Facility, to guarantee the principal and one (1) coupon payment obligation of the Issuer under the MTN under the Guaranteed MTN Programme on a several basis (other than interest on late payment charges and charges in respect of the MTN/ Guaranteed MTN Programme).

Multiple issuances of MTN may be made under the Guaranteed MTN Programme, comprising MTN(bg) and/or MTN(fg).

Each BG/FGI Policy shall only allow for one (1) claim to be made against the Guarantors.

(2) Issue Price : The MTN shall be issued at par, at a premium or at a discount to be determined prior to the relevant issue date, and the issue price shall be calculated in accordance with MyClear Rules and Procedures (as defined herein), as amended or substituted from time to time.

(3) Issuance Conditions : The MTN will be issued subject to the FAST Rules and other standard conditions including but not limited to the

following:-

- (i) compliance with the Conditions Precedent set out in clause 2 (q) above;
- (ii) receipt of the BG/FGI Policy in the agreed form; and
- (iii) the issue notice shall be given to the Facility Agent at least seven (7) business days (in relation to the first issuance) and five (5) business days (in relation to subsequent issuances) prior to and excluding the date of the proposed issue.

(4) Status and Ranking : Obligations represented by the MTN under the Guaranteed MTN Programme shall constitute direct, unsecured, unconditional and unsubordinated obligations of the Issuer under Malaysian laws and shall at all times rank pari passu with all other present and future unsecured unsubordinated indebtedness or other obligations of the Issuer, except for indebtedness preferred by mandatory provision of law.

(5) Form and Denomination : The MTN shall be issued in accordance with:

- (i) the "Participation and Operation Rules for Payment and Securities Services issued by Malaysian Electronic Clearing Corporation Sdn Bhd (**"MyClear"**) (the **"MyClear Rules"**); and
- (ii) the Operational Procedures for Securities Services issued by MyClear (the **"MyClear Procedures"**), or their replacement thereof (collectively the **"MyClear Rules and Procedures"**) applicable from time to time.

Each issuance of MTN shall be represented by a global certificate to be

deposited with BNM, and shall be exchanged for definitive bearer certificates only in certain limited circumstances.

The denomination of the MTN shall be RM1,000 or in multiples of RM1,000 at the time of issuance or such other denominations as may be mutually agreed between the Issuer and the LA.

(6) **Claim Process /Claim Period** : A demand on the BG/FGI Policy must be made no later than thirty (30) days from either:

- (a) the expiry of the tenor of the MTN Programme; or
- (b) the declaration of an Event of Default under the Trust Deed,

whichever is the earlier, failing which the Guarantors' liability under the BG/FGI Policy shall be discharged.

Only one (1) claim can be made on the BG/FGI Policy and the claim is capped to the amount as stated in the BG/FGI Policy (the "**Guaranteed Amount**") and the BG/FGI Policy shall cease to be valid upon payment of the Guaranteed Amount. Any demand on the BG/FGI Policy shall only take effect upon actual receipt of the demand in writing from the Beneficiary by the relevant Guarantor.

(7) **Default Interest Rate** : In the event of any overdue payment of any sums due under the Guaranteed MTN Programme, the Issuer shall pay default interest at the rate of 1% per annum above the applicable rate, which is the coupon rate(s) of such MTN, from the due date up to the date of actual receipt by the MTN holders.

(8) **Material Adverse Effect** : Means in relation to any event or circumstance, the occurrence or effect of which, has resulted in, or will be likely to

result in a material adverse effect on:

- (a) the assets, business, operations or condition (financial or otherwise) of the Issuer or the Guarantors, as the case may be; or
- (b) the Issuer's ability to perform its obligations under any provisions of the Transaction Documents or the Guarantors' ability to perform their respective obligations under any provisions under the BG/FGI Policy, as the case may be;
- (c) the legality, validity or enforceability of any of the Transaction Documents or the BG/FGI Policy; or
- (d) the rights and remedies available to the Trustee or the MTN holders under any provision of the Transaction Documents,

and references herein and in the Transaction Documents to any event or circumstances which "has" or which "would have" a Material Adverse Effect shall be construed accordingly.

(9) Transaction Documents : The standard Transaction Documents for a medium term notes programme of this nature including but not limited to:

- (i) Programme Agreement;
- (ii) Trust Deed;
- (iii) BG;
- (iv) FGI Policy;
- (v) Securities Lodgement Form; and
- (vi) each Subscription Agreement

(as amended from time to time) and any other agreements and documents as and

when required and deemed necessary by the Solicitors and/or the LA or Facility Agent which shall reflect and incorporate conditions stated herein and other conditions, warranties, covenants, events of default and all relevant provisions under the Guaranteed MTN Programme.

- (10) **Trustee's Reimbursement Account for Bondholders' Actions** : The Issuer shall set up a "Trustees' Reimbursement Account for Bondholders' Actions" ("**Account**") with a sum of RM30,000.00 (which shall be maintained at all times throughout the tenure of the Guaranteed MTN Programme) from the proceeds received by the Issuer when the MTN are first issued. The Account shall be operated by the Trustee and the money shall only be used strictly by the Trustee in carrying out its duties in relation to the occurrence of an Event of Default.
- (11) **Other Conditions** : The MTN shall at all times be governed by the guidelines issued and to be issued from time to time by the SC and/or BNM or their successors in title having jurisdiction over matters pertaining to the MTN, and the MyClear Rules and Procedures.
- (12) **Taxation** : All payments in respect of the MTN and the Transaction Documents by the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any authority having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In such event, the Issuer shall pay additional amounts so that the full amount which otherwise would have been due and payable under the MTN is received by parties entitled thereto.

- (13) **Governing Laws and Jurisdiction** : Laws of Malaysia and the non-exclusive jurisdiction of the Courts of Malaysia.

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