

**LAMPIRAN  
(ANNEXURE)**

The person described in Section I(a) of the First Schedule hereto ("the Chargor") have this day charged the property described in Section II of the First Schedule hereto ("the Property") to **AmBank Islamic Berhad (Company No. 295576-U)** a company incorporated in Malaysia and licensed under the Islamic Financial Services Act 2013 as a licensed Islamic bank and having its registered office at 22<sup>nd</sup> Floor, Bangunan AmBank Group, No. 55, Jalan Raja Chulan, 50200 Kuala Lumpur ("the Bank") and having its business address as stated in Section IV of the First Schedule, upon the terms and subject to the conditions hereinafter appearing in this Charge.

**RECITALS**

- A. The Chargor is the registered and beneficial owner of the Property.
- B. The Customer has requested and the Bank has agreed to make available and/or to continue to make available to the Customer from time to time the Facility upon the terms and subject to the conditions contained in the facility agreement as stated **in Section III of the First Schedule** hereto (hereinafter referred to as "the Facility Agreement").
- C. In consideration of the above, the Chargor had agreed to execute this Charge in favour of the Bank, in respect of the Property to secure the payment of the Indebtedness by the Customer to the Bank.

**NOW IT IS AGREED as follows:-**

**1.0 Definitions**

- 1.1 Words and expressions used in this Charge (including the Recitals) shall have the same meanings which are used in the Facility Agreement. In addition to those words and expressions already defined in the Facility Agreement, the following words and expressions shall the meaning stated opposite thereto:-

‘Customer’	means the party whose particulars are described in Section 1 (b) of the First Schedule hereto.
‘Charge’	the charge over the Property under the National Land Code 1965 / Sarawak Land Code / Sabah Land Ordinance (whichever is applicable) in the form as required in the aforesaid legislations and inclusive of this Annexure, to be executed by the Chargor in favour of the Bank as security for the Indebtedness (including any amendments, variations and/or supplemental made or entered into from time to time).
‘Chargor’	the person specified in Section 1(a) of First Schedule who is charging the Property to the Bank for the payment of the Indebtedness;
‘Event of Default’	the events specified in Clause 5.0 of this Charge.
‘Legal Process’	any pleadings, all forms of originating process, interlocutory application of whatever nature, affidavits, orders and such documents other than the aforesaid which are required to be served under the Rules of Court 2012, notices required to be given to the other and

correspondence between the parties hereto, notices under the Companies Act 2016 and the Insolvency Act, 1967 and the rules made thereunder.

‘Management Corporation’	means the Management Corporation as stated under the Strata Management Act 2013.
‘MRTT/MRTA’	means the mortgage reducing term takaful/assurance plan taken up or to be taken up by the Chargor in respect of the Property from a takaful operator/insurance company acceptable by the Bank.
‘Property’	the Property which details are as stated in Section II of the First Schedule hereto.

## **2.0 Interpretation and Construction**

- 2.1 References to the masculine gender include the feminine and neuter genders and vice versa and references to the singular number include the plural and words in the plural include the singular.
- 2.2 Where there are two or more persons or parties included / comprised in any undertakings expressed to be made to such persons / parties the same shall be enforceable by or against them jointly and severally.
- 2.3 Any term relating to banking and financial services not specifically defined herein shall be construed in accordance with the general business practice and trade of banking and financial industry in Malaysia.
- 2.4 Words applicable to natural persons include any body, persons, company, societies, co-operatives, firms / partnership / otherwise and vice versa.
- 2.5 Reference to ‘law’ shall include without limitation: legislations / statutes in Malaysia, state enactments, subsidiary legislations, by-laws, guidelines, rules and regulations issued thereunder and any re-enactment of such legislation / state enactments.
- 2.6 The Schedule in Form 16A or Memorandum of Charge shall form an integral part of this Charge and shall be taken and construed as an essential part thereof.
- 2.7 Any references to ‘this Charge’ shall include all amendments additions / supplementary agreements made from time to time between the Bank and the Customer.
- 2.8 The headings to the clauses of this Charge are inserted for purpose of convenience only and shall not be taken into consideration in the interpretation / construction thereof of this Charge.
- 2.9 Except where the context otherwise requires and unless the terms of this Charge expressly otherwise provide, all words and expressions as defined in the Facility Agreement shall have the same meanings when used / referred to in this Charge.
- 2.10 All the provisions of the Facility Agreement shall be deemed to incorporated into and form part of this Charge (whether such provision are repeated herein or not) subject to such alterations or variation where necessary to make the provisions of the Facility Agreement consistent with the provisions of this Charge.

- 2.11 In the event of any conflict or discrepancy between the provisions of the Facility Agreement and this Charge, provisions of the Facility Agreement shall prevail for the purpose of interpretation and enforcement of this Charge.
- 2.12 Where an act is required to be done within a specified number of days after or from a specified date, the period is inclusive of and begins to run from the date so specified
- 2.13 Any reference to an agreement, contract or document includes any amendments or variations thereto from time to time and any other instrument executed supplemental thereto or in substitution thereof
- 2.14 Where there are two (2) or more persons comprised in the expression “the Chargor”, agreements, covenants, terms, stipulations and undertaking expressed to be made by and on the part of the Chargor shall be deemed to be made by or binding upon such persons jointly and severally.
- 2.15 Reference to the clauses, Sections and Schedules are references to the clauses, Sections and Schedules in this Charge unless otherwise specified.

### **3.0 Charge**

- 3.1 As security for the payment and discharge of the Indebtedness under the Facility Agreement, the Chargor hereby charges the Property to the Bank upon the terms and conditions under this Charge.
- 3.2 This Charge shall be a continuing security until full settlement of the Indebtedness by the Customer to the Bank under the Facility Agreement.

### **4.0 Representation, Warranties, Undertakings and Covenants by the Chargor**

- 4.1 The Chargor acknowledges that the Bank has accepted this Charge in full reliance of the following representation, warranties and undertakings made by the Chargor:-
- 4.1.1 that this Charge constitute the legal, valid and binding obligations of the Chargor;
- 4.1.2 that the Vendor Agreement which has been executed by the Chargor is valid and legal;
- 4.1.3 that the execution, delivery and performance of this Charge by the Chargor:-
- (a) will not violate the provisions of any law or regulation or any order or decree of any governmental authority, agency or Court to which the Chargor is subject;
  - (b) will not violate the provisions of any mortgage, contract or other undertaking or instrument to which the Chargor is a party or which is binding upon the Chargor; and
  - (c) will not result in the creation or imposition of or any obligation to create or impose any mortgage, lien, pledge or charge on any of the Chargor's assets or revenues pursuant to the provisions of any such mortgage, contract or other undertaking or instrument.

- 4.1.4 that all consents, approvals or authorisations of any relevant authority in connection with the execution, delivery, performance, legality and enforceability of this Charge have been obtained and any conditions contained therein or otherwise applying thereto have been complied with;
- 4.1.5 that the Chargor is not in default under any agreement to which the Chargor is a party and no litigation, arbitration or administrative proceedings are presently current or pending or threatened which default litigation, arbitration or administrative proceedings might affect the solvency of the Chargor and impair the Chargor's ability to perform this Charge's obligations hereunder;
- 4.1.6 that the Chargor has the full and absolute power, right and authority to execute this Charge and that there is and shall be no person or party having priority over the Bank in respect of the Property;
- 4.1.7 that all the particulars and declarations furnished, provided or made by the Chargor are true, accurate and correct;
- 4.1.8 that the Chargor is absolutely entitled to the Property as at the date hereof, free from any encumbrances, and claims whatsoever and that:
- (a) there subsists no breach of any law or regulation which materially and adversely affects or would affect the value of the Property or any part thereof;
  - (b) the Chargor has complied with and shall comply with all approvals required in respect of the Property;
  - (c) no third party has any interest, title, claim or benefit on the Property or any part thereof;
  - (d) the Chargor has not entered into any agreement or arrangement (whether oral or written) whereby the Chargor has agreed to convey, transfer, assign, charge or create any encumbrance over the Property or any part thereof.
  - (e) all conditions of land use (express or implied) in relation to the Property and all other laws, rules, regulations have been and will be complied with;
  - (f) that all quit rent and other outgoings in respect of the Property have been and shall be fully paid;
  - (g) no notice of compulsory acquisition in respect of the Property or any part thereof has been received by the Chargor;
  - (h) where the Property (or any part thereof) is being developed, all requisite approvals in respect of the development have been obtained and are still subsisting at the commencement and throughout the development of the Property or such part thereof;
- 4.1.9 where the Chargor is a party other than the Customer, it is beneficial to the Chargor to execute and perform this Charge.
- 4.1.10 that all representations and warranties as set out in the Facility Agreement (where applicable) shall be binding on the Chargor.

- 4.1.11 that the Chargor or the Chargor's account is not listed under the Biro Maklumat Cek (BMC) guidelines or otherwise for that matter the Chargor's account be designated as "special" under such guidelines;
  - 4.1.12 if the Chargor is a corporation:
    - (a) the Chargor is duly incorporated under the relevant law;
    - (b) all requisite corporate shareholders or other approvals for the execution of this Charge have been obtained; and
    - (c) the Chargor is empowered to execute this Charge under their respective constitutive document;
  - 4.1.13 if any of the Chargor is declared a bankrupt or is already a bankrupt at the time of the grant of the Facility and the Bank does not realise its security under this Charge within six (6) months from the date of the receiving order, the other Chargor (if applicable) who is not bankrupt hereby agree(s) to pay the full amount of the Indebtedness and any monies outstanding in respect of the Facility and the Bank is entitled to recover the same under this Charge.
- 4.2 The Chargor hereby covenants and agrees that during the continuance of this Charge, the Chargor shall:-
- 4.2.1 let the Bank have custody or possession of the issue document of title to the Property so long as this Charge shall remain undischarged;
  - 4.2.2 occupy the Property merely as a licensee of the Bank and shall deliver immediate vacant possession of the Property to the Bank or such person or persons as the Bank may direct in the event that its license to occupy the Property has been terminated by a written notice by the Bank;
  - 4.2.3 comply with and observe all the conditions, restrictions and category of the land use expressly or impliedly imposed upon or affecting the Property or to which the Property is to be subject as well as the provisions of any Act of Parliament Ordinance or Enactment for the time being in force and of any rules regulations or order made thereunder;
  - 4.2.4 not use the Property or suffer the same to be used for purposes other than those for which the same has been built nor to store or bring upon the Property any articles of a specially combustible, inflammable or dangerous nature nor to do or permit or suffer to be done anything by reason whereof any policy or policies of takaful/ insurance may be rendered void or voidable;
  - 4.2.5 pay the quit rent, assessment, maintenance charges, rates, taxes and all other outgoings payable to government or to any local authority or statutory body or to the Management Corporation from time to time in respect of the Property as and when the same shall become due and payable and will produce to the Bank on demand all receipts for such payments;
  - 4.2.6 keep the Bank indemnified against all claims, demands, actions, fines, penalties and expenses which may be incurred, sustained on account of the non-payment of property tax, rates, charges, outgoing and impositions in respect of the Property or any part thereof or the breach or non-performance of the covenants, obligations and agreements herein contained;
  - 4.2.7 keep any building, structure or fixture now or at any time hereafter erected on or affixed to the Property in tenantable repair and condition and to allow the Bank at

the reasonable times to enter upon the Property to view and inspect condition of the Property. In default thereto, it shall be lawful for but not obligatory upon the Bank to carry out such repairs as the Bank may consider necessary at the cost and expense of the Chargor and all monies so expended shall be repaid by the Chargor on demand PROVIDED HOWEVER that if the Bank enters and effects such repairs it shall not be liable as an assignee in possession.

- 4.2.8 provide the Bank with copies of any application, demands, notice, order whatsoever including notices to or from all relevant government authorities relating to the Property not later than seven (7) days of the giving or service of such notices by or on the Chargor and to comply with all governmental and other legal requirements and notices whether statutory or otherwise in respect of the Property;
- 4.2.9 to inform the Bank in event that the Property or any part thereof shall any time become the subject matter of or be included in any notice, notification or declaration concerning or relating to acquisition by government or any government authority or any enquiry or proceedings related to the same. In respect of the said acquisition:
- (a) the Chargor shall forward to the Bank copies of any notice, notification or declaration as soon as the same shall be delivered to or served on the Chargor.
  - (b) the Bank shall be entitled at the expense of the Chargor to engage such advisers and agents (including solicitors and valuers) as it may think fit for the purpose of appearing or attending at or advising upon any enquiry or proceedings affecting, concerning or relating to any such acquisition.
  - (c) all monies received as or by way of compensation for any such acquisition of the Property or any part thereof shall be applied in or towards the discharge or payment of the Indebtedness and the Chargor confirms that the Bank may receive and give a good discharge for all such monies received by the Bank.
  - (d) in the event the Chargor receives monies for the acquisition from the government authority, the Chargor shall hold all monies so received in trust for the Bank and shall pay the Bank immediately upon receipt of the same for the Indebtedness secured by this Charge the Chargor agree;
- 4.2.10 perform, observe, discharge and abide by all and singular the duties, responsibilities, liabilities, obligations and covenants imposed on the Chargor by the National Land Code 1965 / Sarawak Land Code / Sabah Land Ordinance / the Strata Titles Act, 1985 or the by-laws established thereunder or any regulations, resolutions or by-laws passed by the Management Corporation, in relation to the Chargor's rights, use and enjoyment of to or in the Property and the common property and not to do or cause to be done anything contrary to or inconsistent with the aforesaid duties, responsibilities liabilities, obligations and covenants in respect of the Chargor's use, enjoyment and right of to or in the Property and the common property by the Chargor;
- 4.2.11 (a) keep the Property covered/insured against loss or damage by fire and such other risks as the Bank may require up the full coverable/insurable value with an acceptable takaful operator/insurance company with the Bank named as sole payee of the policy proceeds and will deposit the policy of such takaful/insurance with the Bank and will from time to time to pay the contribution/premium thereon and deliver the receipts of payment to the Bank.

- (b) in default thereof, the Bank shall be at liberty but not obligated to maintain or renew any such takaful/ insurance in respect of the Property against such of the insured risks as the Bank may think fit at the cost and expense of the Chargor;
- 4.2.12 shall promptly pay such contributions, subscriptions, dues and levies to the management fund, in such manner and at such times as may be determined by the Management Corporation, for the purposes of maintaining, controlling, managing and administering the common property, paying rents, rates, assessments, maintenance charges, taxes and takaful contributions/ insurance premiums and discharging any other obligations on the part of the Management Corporation. In default, it shall be lawful for but not obligatory upon the Bank to pay the same or any part thereof and such payment shall constitute a debt due from the Customer to the Bank and shall form part of the monies hereby secured and shall for all purposes be immediately payable on demand; and
- 4.2.13 shall promptly notify the Bank in writing of any changes in the Chargor's address, failing which the Bank shall be discharged from all liabilities by sending any notices to the latest address and/or number found in the Bank's record.
- 4.3 The Chargor, during the continuance of this Charge, shall NOT, without the prior consent of the Bank:-
- 4.3.1 transfer, sell, charge or otherwise deal with the Property or any part thereof / make the same subject to any burden, charge, encumbrance, liability or lien / make any application for the alteration of the category of land use or for the imposition of any fresh category of land use in respect of the Property or for rescission, removal or amendment of any condition or restriction affecting the Property;
- 4.3.2 lease / let / grant any licence or otherwise part with the possession or make or accept the surrender of any lease of or in respect of the Property or any fixture or structure thereon or any part thereof to any third party;
- 4.3.3 alter / demolish / renovate / remove any building, structure or fixture now or at any time hereafter erected on or affixed to the Property and shall forthwith replace or make good the same in the event of such alteration;
- 4.3.4 permit any person or party other than the Chargor to be the occupier of the Property and in the event of the Property being sold at a public auction pursuant to the provisions herein contained or an order of Court or the Land Administrator, the Chargor shall whenever requested to do so by the Bank at the Customer's cost and expense deliver vacant possession of the Property to the Bank or to such other person as the Bank may direct;
- 4.3.5 to effect or maintain any takaful/insurance against any risk in respect of the Property together with any fixtures or structures thereon where the Bank has effected or maintained any such takaful/insurance as aforesaid;
- 4.3.6 create or permit to arise or cause to create a debenture, mortgage, charge, pledge, lien or other security interest over the Property having priority to this Charge shall be without prejudice to and shall not operate so as to merge or otherwise affect any lien or security already given by the Chargor or any other party or any other security which may hereafter be given by the Chargor or any other party to the Bank whether the same be for securing payment of the Indebtedness or any other monies covenanted to be paid herein and whether such security is taken as additional or collateral security or otherwise howsoever.

- 4.4 IT IS AGREED that if the Chargor shall default in the performance of the agreements and undertakings contained in this Charge, it shall be lawful for but not obligatory upon the Bank to make good such default and any monies so paid or expended by the Bank shall on demand be repaid to the Bank and until such payment, shall be deemed to be a sum advanced by the Bank to the Customer and Chargor and shall form part of the monies hereby secured.
- 4.5 The representations, warranties, undertakings and covenants set out herein shall survive the signing and delivery of this Charge and the utilisation of the Facility. The Chargor shall be deemed to represent, warrant, undertake and covenant with the Bank that the representations, warranties, undertakings and covenants stated herein are true and correct in all respects and will continue to be so for as long as any sums remain payable under the Facility Agreement and this Charge as if repeated by reference to the circumstances then existing.
- 4.6 The Bank had agreed to make available and/or continue to make available the Facility to the Customer based on the truthfulness and correctness of representations, warranties, undertakings and covenants stated herein. If any of the representations, warranties, undertakings and covenants herein shall at any time hereafter be found to have been false and/or incorrect, then the Bank shall have the right at its discretion to suspend the availability or disbursement of or review, recall or terminate the Facility and/or enforce its rights and remedies under this Charge.
- 4.7 The Chargor shall at the request of the Bank execute or procure the execution in favour of the Bank or to any person as the Bank shall direct such further legal or other mortgages, charges, debentures, assignments, transfer, agreements or other assurances as the Bank shall require of and on all the Chargor rights, title and interests in any property or assets or business now belonging to or which may hereafter be acquired by or belonging to the Chargor (including any vendor's lien) and the benefit of all licences held in connection therewith to secure all monies and liabilities hereby agreed to be paid or intended to be hereby secured; and such mortgages, charges, assignment, transfers, agreements or other assurances to be prepared by or on behalf of the Bank at the cost of the Chargor and to contain all such terms and conditions for the benefit of the Bank as the Bank may require or stipulate. The Chargor shall at any time at the request of the Bank to do so deposit with the Bank such issue document of title / strata title of any or all immovable properties vested in the Chargor for any tenure and all or any debentures, shares, stocks or other investments or securities registered in the name of the Chargor or otherwise belonging to the Chargor. Such charge or deposit may be by way of collateral security for the payment of the Indebtedness and all other monies and liabilities hereby secured and may also or otherwise be for the purpose of securing any other monies owing to the Bank and not hereby secured.

## **5.0 Event of Default**

- 5.1 The Chargor is deemed to have committed a default if the Chargor at any time and any reason, whether or beyond control of the Chargor of any one or more of the following events:-
- (a) the Customer / guarantor fails to pay any amount due on the due date / on demand, if so payable;
  - (b) the Customer / any Security Party fails to observe / perform any of the agreement, covenants, stipulations, undertakings, terms and conditions to be observed / performed under this Charge, Vendor Agreement / the Security Documents;



- (c) the Customer / Security Party changes / announces the change / nature / scope of its business;
  - (d) the Customer / Security Party commits an act of bankruptcy / becomes bankrupt / dies / becomes insane / imprisoned (applicable for Customer which is a natural person);
  - (e) the Customer / any Security Party is wound-up / enters into any composition / arrangement with its creditors / allows any judgement remain unsatisfied / applies to Court for any restraining order / has a receiver appointed over its assets (applicable for Customer which is a company);
  - (f) the Facility are used / utilised for any purpose other than that the purpose stated in the Letter of Offer;
  - (g) any of the representations and warranties in this Charge / the Security Documents has been found to be untrue, incorrect / breached at the material time;
  - (h) any information and documents provided to the Bank by the Customer / Security Party for the application of the Facility is later found to be false, incorrect, inaccurate, tampered / forged;
  - (i) any Indebtedness of the Customer / Security Party, whether to the Bank / AmBank Group, becomes due before its stated maturity;
  - (j) any legal proceedings is taken against the Property by any person / entity;
  - (k) any litigation / arbitration is commenced against the Customer / Security Party which the Bank views as adversely affecting the ability of the Customer / Security Party to perform its obligations under this Charge / any Security Documents;
  - (l) any legal action, proceedings / suit are instituted by the Customer / Security Party against the Bank, whether in respect of the Facility / otherwise; and
  - (m) any legal action, proceedings / suit are instituted by any third party against the Bank in respect of the Facility / the Property.
- 5.2 Upon happening of the Event of Default, the Bank shall thereafter have the right to exercise all / any of the remedies available whether by this Charge and/or the Security Documents / by law.
- 5.3 For the avoidance of doubt, the Bank shall be entitled to exercise all remedies available to it concurrently, including pursuing remedies by sale of the Property / foreclosure proceedings / possession pursuant to this Charge and/or the Security Documents and civil proceedings to recover Indebtedness due and owing to the Bank.

## **6.0 Remedies of the Bank**

- 6.1 Upon demand and/or the occurrence of any Events of Default as described in Clause 5.0, the Bank shall be entitled to exercise all or any of the following rights and powers:-
- 6.1.1 to enter into and/or take possession of the Property;
  - 6.1.2 to let, lease or demise the Property or any part or parts thereof upon such terms as the Bank shall deems fit;

- 6.1.3 to demand and receive rental proceed in respect of the Property from the present occupants and/or to terminate the tenancy;
  - 6.1.4 to sell and assign the Property as the absolute unencumbered owner at such price and in such manner as the Bank shall in its discretion think fit;
  - 6.1.5 with a view of selling the Property (or offering it for sale), to repair, replace and develop the Property and to apply for any appropriate permission, license or approval at the cost and expense of the Chargor and/or Customer;
  - 6.1.6 to sever any fixtures and fittings from Property and sell them apart from the Property if the Bank deems it necessary;
  - 6.1.7 to give notices to the other creditors of the Chargor
  - 6.1.8 such other rights and remedies of the Bank as provided by law.
- 6.2 Upon sale of the Property, the Bank shall apply the proceeds of sale in the following manner:-
- FIRSTLY in payment of any rents, taxes, assessments, fees, lawful outgoing and other fees due and payable to the relevant authorities by the Chargor in respect of the Property charged or assigned to the Bank as security for the Facility;
  - SECONDLY in the enforcement of any of the Security Documents or in the performance of any duties or the exercise of any powers vested in the Bank, in payment of any costs, charges, expenses and liabilities incurred by the Bank and every person appointed by the Bank under the Security Documents;
  - THIRDLY in or towards payment to the Bank of all profit then accrued and remaining unpaid in respect of the Facility;
  - FOURTHLY in or towards payment to the Bank of the Indebtedness due and remaining unpaid under the Facility;
  - FIFTHLY in or towards payment to the Bank of all other moneys due and remaining unpaid under any or all of the Security Documents;
  - SIXTHLY in or towards payment to the Bank of all other moneys due and remaining unpaid;
  - SEVENTHLY any surplus will be paid to persons entitled to such surplus.
- PROVIDED ALWAYS THAT the Bank may alter the above order of payment or keep such amounts in a non-profit bearing suspense account. Such alteration in the order of payment, or payment into a suspense account, will not affect the right of the Bank to receive the full amount to which it would have been entitled if the primary order had been observed, or any lesser amount which the sum ultimately realised from the security may be sufficient to pay.
- 6.3 If the amount realized by the Bank on a sale of the Property is less than the amount due to the Bank, the Customer shall be liable to pay to the Bank the difference between the amount due and the amount so realized and until payment will also pay late payment charges on such balance at the rate determined by the Bank.
- 6.4 For the avoidance of doubt, the Bank shall be entitled to exercise all remedies available to it concurrently including pursuing remedies by sale of the Property / foreclosure proceedings / possession pursuant to this Charge and/or the Security Documents and civil proceedings to recover Indebtedness due and owing to the Bank.

## 7.0 Takaful/Insurance

- 7.1 As so long as the Indebtedness has not been paid, the Chargor shall ensure that the Property is covered under a takaful/insurance plan and in the name of the Chargor, assigned to and for the benefit of the Bank against loss or damage by fire, lightning, tempest, flood, riot, civil commotion, strike, malicious acts and against such other risks as the Bank may from time to time think expedient and keep the same so covered throughout the duration of this Charge to its full coverage value to the satisfaction of the Bank with a takaful operator/insurance company acceptable by the Bank.
- 7.2 Whenever required by the Bank, the Chargor shall take up and maintain a takaful/insurance policy or a MRTT/MRTA policy and payable in Ringgit Malaysia guaranteeing the payment of all the Indebtedness.
- 7.3 The Chargor shall not except without prior consent in writing of the Bank to effect or to keep any additional takaful/insurance when the Bank or the Chargor has effected or maintain such takaful/insurance plans.
- 7.4 The Chargor shall ensure that each policy is not lapse, be terminated, cancelled or materially modified without fourteen (14) days' prior notice to the Bank.
- 7.5 The Chargor shall cause the relevant takaful operator/insurance company to include the following notice of cancellation or a substantially similar notice of cancellation acceptable to the Bank in each takaful/insurance policy taken out:-
- “Underwriters (takaful operator/insurance company) agree that the Bank shall be given at least fourteen (14) days' prior telegraphic notice of cancellation, alteration, termination or expiry of this policy or any failure by the Chargor to pay any contributions/premiums as and when due. The Bank shall have no obligation whatsoever to pay any contributions/premiums or costs but shall have the right to do so in the event of non-payment by the Chargor. Underwriters (takaful operator/insurance company) shall promptly advise the Bank of any act or omission of which the Underwrites (takaful operator/insurance company) are aware that might void this policy or make the same invalid or unenforceable in whole or in part”.*
- 7.6 The Chargor covenants that the Chargor shall cause the relevant takaful/insurance companies to include the following loss payable clause or a substantially similar loss payable clause acceptable to the Bank in each takaful/insurance policy taken out:-
- “This takaful/insurance and the benefits thereof, including all claims of whatsoever nature in respect of the assets and each and every right hereunder have been assigned to **AmBank Islamic Berhad (Company No. 295576-U)**”.*
- 7.7 The Chargor hereby assigns to the Bank all the Chargor's rights, title and interest in, to and under all takaful/insurance policies including all proceeds and all the benefits thereof and all claims of whatsoever nature thereunder and the rights under such takaful/insurance policies.
- 7.8 On the date of execution of this Charge or at such later date as the Bank may require, the Chargor shall furnish the Bank with the originals of all takaful/insurance policies assigned hereunder and all binders and certified copies of cover notes or other written evidence satisfactory to the Bank showing that the required takaful/insurance of each type has been placed. No change shall be made in any takaful/insurance policy without the Bank's prior written consent. The Chargor shall promptly furnish the Bank with the duplicate of all policies assigned hereunder, cover notes and certificates and renewals thereof.
- 7.9 The Bank is hereby authorised but not required, in its own name or in the name of the Chargor to demand, collect, give receipts for and prosecute all necessary actions in the

courts to recover any and all takaful/insurance monies that may become due and payable under the takaful/insurance policies. If the Chargor at any time fails to pay or cause to be paid when due any takaful contributions/insurance premiums, calls or other costs related to obtaining or maintaining the takaful/insurance required hereunder, to obtain any required takaful/insurance or to deliver to the Bank all policies, certificates, contracts of takaful/insurance, binders and cover notes and all renewals thereof as required by the provisions of this Charge, the Bank may, but is not required to, procure such takaful/insurance with the Chargor's consent or pay unpaid contributions, and other costs. All expenditure incurred thereby shall be for the account of the Chargor and shall be deemed to be and form part of the Indebtedness.

- 7.10 The Chargor shall not do any act, allow or permit any act to be done (whether by omission or commission), whereby the takaful/insurance policies may become void or voidable, or may become a ground of repudiation by the takaful operator/ insurance company or allow the Property to be used in any manner not permitted under the takaful/insurance policies.
- 7.11 The Bank may require any money received on any takaful/insurance relating to the Property whether effected by the Bank or by the Chargor to be applied in or towards making good the loss or damage in respect of which the money is received or receivable or in or towards the discharge of the Indebtedness or any other monies secured hereby and the Chargor shall hold any money received on such takaful/insurance in trust for the Bank and the Bank may receive and give a good discharge for any such monies.

## **8.0 Modification and Indulgence**

- 8.1 The Bank may at any time and without in any way affecting the security hereby created and with prior notice to the Chargor: -
- 8.1.1 determine, vary, modify, restructure, reduce / increase the Facility in accordance with the provisions in Clauses 8.2, 8.3, 8.4 and 8.5 below;
- 8.1.2 grant to the Customer, the Chargor or other security party / surety any indulgences;
- 8.1.3 deal with, exchange, release or modify or abstain from perfecting or enforcing any securities or other guarantees or rights it may now or at any time hereafter have from or against the Chargor or any other person; deal with, exchange, release, modify / abstain from perfecting / enforcing any securities / other guarantees / rights it may now or from time to time have from / against the Customer / the Security Party.
- 8.2 For the purposes of compliance to any new legislation applicable to the Bank / changes in law / any new guidelines issued by BNM, the Bank shall be entitled to amend any of the terms and conditions of this Charge through:
- (a) display of the amended terms and conditions in the Bank's branches; and/or
- (b) uploading the amended terms and conditions on the Bank's website.
- 8.3 The Chargor agrees that the Bank may provide notice of the amendment of the terms and conditions of this Charge through any one / more of the following means:
- (a) notice on the notice board / any conspicuous section of the Bank's branches;
- (b) notice on the display screen of the Bank's electronic terminals;

- (c) notice on the Bank's website;
- (d) notice in the periodic statement of account sent to the Charge (if applicable);
- (e) notice in writing in the Bank's preferred format to the Chargor's address as per the Bank's records; and/or
- (f) notice by any other means as the Bank deems fit and acceptable to the Chargor.

8.4 Subject to this Charge, if the Chargor is not agreeable to the amended terms and conditions of this Charge, the Chargor shall notify the Bank in writing of the same within twenty-one (21) calendar days from the date of notice by the Bank and the Customer shall redeem the Facility by paying the Indebtedness and all sums dues to the Bank in full.

8.5 In the event the Customer and the Chargor continues to maintain the Facility, twenty-one (21) calendar days after the notice of any amendment to the terms and conditions of this Charge by the Bank, the Chargor shall be deemed to have accepted the amendments to the terms and conditions of this Charge.

## **9.0 Disclosure of Information**

9.1 The Chargor provides consent to the Bank to disclose, at the Bank's discretion, all/any information and documents relating to this Charge, Chargor's conduct and affair in respect of the Facility/ this Charge to:-

- 9.1.1 the next of kin / administrator / executor / beneficiary of a deceased Chargor/solicitors acting for them in intending to apply for a court order / who had applied for a court order in respect of a deceased Chargor's estate;
- 9.1.2 BNM / other relevant authorities acting under powers granted under any applicable law;
- 9.1.3 takaful operator, insurers, brokers, loss adjusters pursuant to any claims to be made by the Bank under such takaful/ insurance policy in respect of the Facility/ Property;
- 9.1.4 the purposes of any legal suit / proceedings filed against the Bank by any third party in relation to the Facility / Charge / the Property;
- 9.1.5 the purpose of any legal suit / proceedings filed by the Bank against any third party for the recovery of its losses under this Charge / Facility/ Property;
- 9.1.6 the police / other investigative authorities, for the purposes of their investigation into any crime (including any money laundering and terrorism financing activities) whether by the Customer / Chargor / otherwise;
- 9.1.7 the police / other investigative authorities for the purposes of lodging of relevant reports by the Bank and investigation thereof, if the Bank is of the view that a crime has been committed / to prevent / recover any losses incurred by the Bank/for prevention of crime;
- 9.1.8 any party who intend to acquire the Property through auction / sale / any party who intend to acquire the Bank's interests, assets and liabilities under this Charge / Indebtedness / Property;

9.1.9 any party which in the future may express intention to acquire any interest / shareholding in the Bank / pursuant to any proposed arrangement, composition, merger, acquisition / restructuring between the Bank and such parties; and/or

9.1.10 external professional advisors of the Bank and AmBank Group.

9.2 In the event any legal proceedings is initiated by the Bank against the Chargor under this Charge for the recovery of the Indebtedness or pursuant to the rights and remedies under this Charge, the Chargor provides consent to the Bank to disclose the details, information related to the Chargor and the cause papers related to the said legal proceedings to any credit reporting agency in Malaysia.

## **10.0 Notices**

**10.1** The Chargor shall promptly notify the Bank in writing of any changes in the Chargor's address, failing which the Bank shall be discharged from all liabilities by sending any notices to the latest address and/or the number found in the Bank's records.

10.2 No change in the address of the Chargor howsoever brought about shall be effective / binding on the Bank unless actual notice of the change of address has been received and acknowledged by the Bank.

10.3 All notices by the Customer to the Bank shall be served on the Bank's branch where the Facility is maintained.

10.4 Subject to this Charge, the Bank may give any notice as may required to be given to the Customer by sending the notice through a letter sent by ordinary post / by personal delivery to the address of the Customer available in the Bank's records. The notice shall be taken to be given to the Chargor three (3) calendar days after posting of the letter or if delivered by hand, on the day it was delivered.

10.5 In any legal proceedings relating to this Charge, a letter of demand, notice, statement, reminder or certificate that is:-

- (a) signed by an officer or solicitor or other agents appointed by the Bank;
- (b) in the form of a computer generated document from the Bank which requires no signature;

shall be conclusive and binding on the Chargor as conclusive evidence of the Indebtedness in a court of law, save for any indisputable error.

## **11. Service of Legal Process**

11.1 The service of any such Legal Process pursuant to any rules of the Rules of Court 2012 shall be taken to have been given or served to the Chargor:-

- (i) if sent by hand, at the time a copy of the legal process is left at the address of the Chargor herein stated or at such other address as the Chargor may notify the Bank; or
- (ii) if sent by prepaid registered post (not being AR Registered Post), on the 7<sup>th</sup> day (including the day of posting) from the date the legal process is put into post addressed to the Chargor at the address of the Chargor herein stated or such other address as the Chargor may notify to the Bank,

provided there is no change in the address for service of either party. In the event there is a change of address for service by one party, actual notice of such change shall be given by that party to the other party, failure of which, nothing done in reliance on this Section shall be affected or prejudiced by any subsequent change in the address of service by that party as the other party has no actual knowledge of the changes at the time the act or thing was done or carried out.

- 11.2 All originating cause papers for any legal proceedings initiated by the Chargor against the Bank under this Charge shall be served by personal delivery / A.R registered post to the registered address of the Bank, which for the time being is 22<sup>nd</sup> Floor, Bangunan AmBank Group, No. 55, Jalan Raja Chulan, 50200 Kuala Lumpur. Chargor agrees not to serve such originating cause papers to the Bank's branches. Such service shall not be deemed to be valid service on the Bank.
- 11.3 All originating cause papers for any legal proceedings initiated by the Bank against the Customer under this Charge shall be served to the Chargor's address available in the Bank's records.

## 12.0 Dispute Resolution

- 12.1 Any complaints that the Chargor may have against the Bank in relation to any matters arising may be lodged at the following address:-

AmBank Group Service Resolution Department  
Level 22, Menara AmBank  
No. 8, Jalan Yap Kwan Seng  
50450 Kuala Lumpur

Contact Number : 03-21788888

Fax Number : 03-27800223

Email Address : [customercare@ambankgroup.com](mailto:customercare@ambankgroup.com)

In the event, the complaint by the Chargor is unresolved by the Bank or the Chargor is unsatisfied with the Bank's decision in respect of the complaint, the Chargor may refer the matter to:

- (a) BNMLINK  
Laman Informasi Nasihat dan Khidmat (LINK)  
Block D, Bank Negara Malaysia  
Jalan Dato' Onn  
50480 Kuala Lumpur  
Tel: 1-300-88-5465  
E-mail: [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)
- (b) Association of Islamic Banking  
Institutions Malaysia 4th Floor, Menara  
Bumiputra  
21 Jalan Melaka  
50100 Kuala Lumpur Tel: 03-20268002 E-  
mail: [staff@aibim.com](mailto:staff@aibim.com)
- (c) Ombudsman for  
Financial Services  
Level 14, Main Block  
Menara Takaful Malaysia No. 4, Jalan Sultan  
Sulaiman 50000 Kuala Lumpur

Tel: 03-2272 2811  
E-mail: [enquiry@ofs.org.my](mailto:enquiry@ofs.org.my)

12.2 This Charge shall be governed by and construed in accordance with the laws of Malaysia and in enforcing this Charge, the Bank shall be at liberty to initiate and take action / proceeding against the Chargor in any Courts in any part of Malaysia as the Bank may deem fit.

### **13.0 Right of Set-Off**

13.1 In the event the Chargor fails to pay any fees, charges, outgoings (including any penalty thereof) related to the Property ('Defaulted Payment'), the Bank shall be entitled to freeze the available balance in the Chargor's deposit account with the Bank / AmBank Group that is equivalent to the Defaulted Payment and provide a notice to the Chargor to make good the defaulted payment under this Charge.

13.2 In the event the Chargor fails to make good the defaulted fees, charges, outgoings related to the Property within the notice period (which shall not be less than seven (7) calendar days), the Bank shall be entitled to set off such part of the available balance in the Chargor's deposit account with the Bank / AmBank Group with the total sum due to the Bank under this Charge.

13.3 For the avoidance of doubt, the Bank's right of set-off herein can be exercised by the Bank:

13.3.1 even on a deposit account with the Bank / AmBank Group held jointly by the Chargor with another person;

13.3.2 even in the event of Chargor's demise, bankruptcy / insolvency, composition with its creditors / any legal proceedings against the Chargor.

### **13.0A Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities ("AMLATFA") and the Strategic Trade Act 2010**

13.1A The Chargor represents and warrants that:-

(a) unless and until the Chargor notifies the Bank to the contrary in writing, all monies which will be paid to the Bank and all Indebtedness created or to be created in favour of the Bank to secure the Facility shall come from a lawful source of activity and not unlawful activity or instrumentalities of an offence under the AMLATFA or in contravention of the Strategic Trade Act 2010;

(b) on notification that the Chargor is an intermediary for other persons:-

(i) the Bank may require, and the Chargor agrees and undertakes to provide verification of the identity of the beneficiary and such other information as the Bank may require, including but not limited to certified true copies of any authorisation to act or documents that may be required for the purposes of verifying the information provided by the Chargor, which copies may thereafter be retained by the Bank;

(ii) the Chargor further declares and certifies that the necessary "know-your-client" checks have been conducted including but not limited to the identity, existence, address and nature of the business of the beneficiary, it being confirmed by the Chargor that the monies, funds or collateral are



from a lawful source of activity and not unlawful activity or instrumentalities of an offence under the AMLATFA or in contravention of the Strategic Trade Act 2010; and

- (iii) it is further clearly agreed and understood that the provision of details of the Chargor's beneficiary shall not make the Chargor's beneficiary a customer of the Bank and the Bank shall be entitled to hold the Chargor as the principal debtor.
- (c) In addition to Clause 13.A(a) and (b), the Chargor agrees and undertakes irrevocably and unconditionally that:-
- (i) the Chargor shall disclose and furnish to the Bank any information required or deemed necessary and to the satisfaction of the Bank in a timely manner within the period specified by the Bank;
  - (ii) pending receipt of information by the Bank from the Chargor and until received and verified to the satisfaction of the Bank and/or the relevant authorities, the Bank shall neither be obliged to proceed with any transactions or disbursements nor accept any monies, funds or collateral ("Assets"). In relation to Assets already in the possession of the Bank, the Bank shall be entitled (and authorised) to retain the Assets for the time being. Any Assets requested to be returned to the Surety shall be returned to the Chargor after the Bank receives satisfactory clearance from the relevant authorities;
  - (iii) the Chargor will ensure that the Customer will not use the Facility for money laundering offence under the AMLATFA or in contravention of the Strategic Trade Act 2010; and
  - (iv) in no event shall the Bank or companies within the AmBank Group be liable for any direct, indirect, consequential or any losses whatsoever arising or by reason of the Bank's exercise of its duties under the laws for the time being in force, in particular but not limited to its statutory duties under the AMLATFA.
- (d) In the event the payment of the Indebtedness is at any time or from time to time after the release and discharge of the Chargor's obligations under this Charge by the Bank, found to be from an unlawful source of activity or instrumentalities of an offence under the AMLATFA or in contravention of the Strategic Trade Act 2010, the Chargor agrees and acknowledges that:-
- (i) the release and the discharge of the Chargor's obligations under this Charge shall be automatically deemed to be invalid from the date it is established that the source of payment of the Indebtedness falls within the ambit of the AMLATFA or in contravention of the Strategic Trade Act 2010 and the Chargor shall continue to be liable to the Bank under the terms of this Charge notwithstanding any document issued and/or executed by the Bank to release and discharge the Chargor; and
  - (ii) the Chargor shall indemnify the Bank for any losses, damages, costs, fees and charges incurred by the Bank as a result of contravention by the Chargor of the provisions of the AMLATFA and/or the Strategic Trade Act 2010.

#### **14.0 General Terms**

- 14.1 Nothing herein contained shall prejudice or affect any lien to which the Bank is entitled or any other securities which the Bank may at any time hold for or on account of the monies hereby secured nor shall anything herein contained operate so as to merge or otherwise prejudice or affect any bill, note, guarantee, mortgage or other security which the Bank may for the time being have for any money intended to be hereby or otherwise secured or any right or remedy of the Bank thereunder.
- 14.2 Upon payment to the Bank of the Indebtedness and all monies secured under this Charge, together with all profit thereon at the rate specified, the Chargor shall be entitled at his costs and expenses (including the solicitors costs for discharge of Charge and legal proceedings by the Bank) to obtain a discharge and release of the Property from the Bank, such discharge and release to be in such form and content as the Bank shall in the circumstances consider appropriate.
- 14.3 No failure / delay by the Bank in exercising any rights, entitlement, authority / power granted to the Bank herein shall operate as a waiver thereof.
- 14.4 All costs, charges and expenses incurred/extended by the Bank under this Charge, express /implied shall be payable by the Customer to the Bank on demand.
- 14.5 The Bank may assign, novate and/or transfer its rights and obligations under this Charge / any part thereof, in its discretion deem fit, to a potential assignee / transferee and for this purpose, the Bank may reveal relevant information about this Charge and the Chargor to the potential assignee / transferee. In the event such assignment and/or transfer is to the detriment of the Chargor (whether financial or otherwise), the Bank shall obtain a prior written consent from the Chargor. However, the Chargor cannot assign any of its rights under this Charge.
- 14.6 Any terms / conditions / stipulations / provisions / covenants / undertakings / representations contained in this Charge which is held to be illegal, prohibited / unenforceable by any tribunal/court of competent jurisdiction shall be ineffective to the extent of such illegality, voidness, prohibition / unenforceability, without invalidating the remaining provisions hereof.
- 12.7 The Bank shall not be liable for any failure on its part to perform any obligations hereunder resulting directly or indirectly from the action or inaction of any government or local authority or any strike, boycott, blockade, act of God, civil disturbance or cause beyond the control of the Bank.
- 14.8 This Charge shall be binding upon the personal representatives, permitted assigns and successors in title of the Chargor and on the successors in title and assigns of the Bank.
- 14.9 Time wherever mentioned shall be of the essence of this Charge.
- 14.10 This Charge may result in the Chargor losing possession or control of the Property when the Bank enforces its rights under this Charge over the Property. In this regard, the Chargor is strongly advised to seek independent legal advice in respect of this Charge before signing this Charge.
- 14.11 Unless expressly stated otherwise in this Agreement, the parties agree that fees and other monies payable under this Agreement and the Security Documents are exclusive of Taxes and such Taxes shall be borne by the Customer.

- 14.12 The Facility Agreement, this Charge, and other Security Documents are instruments employed in one transaction to secure all monies or liabilities including profit thereon as may now or from time to time due and owing under the Facility Agreement within the meaning of Section 4(3) of the Stamp Act, 1949 (Consolidated and Revised, 1989). For the purpose of the said Section, the Facility Agreement is deemed to be the primary or principal instrument and this Charge, and the other Security Documents are deemed to be the auxiliary or secondary instruments.
- 14.13 In the event that the Facility due or owing to the Bank shall at any time exceed the principal limit for which the Facility Agreement (and/or as the case may be the relevant Letter of Offer) is for the time being stamped, the Bank shall be at liberty at any time without prior notice to the Chargor to upstamp the Facility Agreement (and/or as the case may be the relevant Letter of Offer) at ad valorem duty for the excess amount, upon which the principal amount in respect of which additional stamp duty on an ad valorem basis is or shall be paid and endorsed on the Facility Agreement and/or the relevant Letters of Offer shall form part of the Facility and be secured by this Charge. Any such ad valorem stamp duty including any penalty incurred shall be borne by the Chargor.

*{The remainder of this page is intentionally left blank}*

IN WITNESS WHEREOF the Attorney(s) for the Bank and the Chargor have executed this Annexure on the day and year first abovewritten.

SIGNED by	)	<b>AmBank Islamic Berhad</b>
	)	<b>(Co. No. 295576-U)</b>
and	)	by its Attorney(s):-
as Attorney(s) of the Bank	)	
in the presence of:-	)	

.....

**REMINDER: The Chargor is hereby reminded to read and understand the terms and conditions of this Charge before signing below**

Signed by the	)	
	)	
CHARGOR	)	.....
	)	
in the presence of:-	)	

.....

.....

**THE FIRST SCHEDULE**  
(To be read and construed as an essential part of this Charge)

SECTION	MATTER	PARTICULARS
I(a)	Chargor NRIC Address	
I(b)	Customer NRIC Address	
II	Description of the Property	
III	Date of the Facility Agreement	
IV	Bank's place of business	

**COVENANT BY CUSTOMER**  
**(applicable for 3<sup>rd</sup> party Charge)**

I/we, the Customer as described in Section 1(b) of the First Schedule, hereby acknowledge, agree, covenant and undertake that I/we shall observe perform and be bound by all the terms and conditions stipulated in this Charge and further covenant to procure the compliance of such terms by the Chargor :-

SIGNED by the abovenamed )  
CUSTOMER )  
 )  
in the presence of: )

The Common Seal of )  
the Customer was hereunto affixed )  
in accordance with its )  
rules and regulations )  
in the presence of:- )

.....  
Director

.....  
Director / Secretary

**DATED THIS                      DAY OF                      20**

**BETWEEN**

**AND**

---

**LAMPIRAN  
(ANNEXURE)**

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