

1.	DEFINITIONS AND INTERPRETATION	2
2.	IMPLEMENTATION PROCEDURE	2
3.	PAYMENT OF THE BANK SALE PRICE	3
4.	UTILISATION OF COMMODITY	3
5.	SECURITY DEPOSIT	3
6.	MANNER OF PAYMENTS	3
7.	LATE PAYMENTS	3
8.	EARLY SETTLEMENT AND REBATE (IBRA)	3
9.	REPRESENTATIONS AND WARRANTIES	3
10.	EVENTS OF DEFAULT	4
11.	TERMINATION	4
12.	MISCELLANEOUS	4
13.	NOTICES	4
14.	GOVERNING LAW AND JURISDICTION	5
15.	STAMP DUTY DECLARATION	5
	SCHEDULE 1 - PURCHASE INTENTION	S1
	SCHEDULE 2 - BANK'S OFFER FOR SALE	S2
	SCHEDULE 3 - CUSTOMER'S ACCEPTANCE	S3
	SCHEDULE 4 - DELIVERY INSTRUCTIONS	S4
	SCHEDULE 5 - CONFIRMATION OF BANK'S OFFER FOR SALE	S5
	SCHEDULE 6 - CONFIRMATION FOR CUSTOMER ACCEPTANCE	S6

DATE:

BETWEEN

AL RAJHI BANKING & INVESTMENT CORPORATION (MALAYSIA) BHD (719057-X), a banking corporation incorporated in Malaysia under the Companies Act 1965 with its registered address at **Ground Floor, East Block, Wisma Selangor Dredging, 142-B, Jalan Ampang, 50450 Kuala Lumpur ("Bank")** which expression shall include all of its branches of the one part;

AND

NAME _____ IC _____

ADDRESS _____

WHEREAS:-

- A. This Agreement provides for multiple sale transactions between the Parties hereto of identified deliverable commodities that are permissible by the Shariah other than gold, silver or currencies owned by the Bank pursuant to the Islamic principle of Al- Bai' Bithaman Ajil.
- B. Pursuant to Recital A above, the Bank via the Letter of Offer (as defined herein) grants the Customer the Trading Limit (as defined herein) upon which each Sale Transaction with the Bank shall be subject to.
- C. The Bank at the request of the Customer agrees to offer for sale the Commodities (as herein defined) to the Customer and the Customer shall if he is so agreeable to the terms of the Bank's Offer for Sale (as defined herein) accepts the offer to purchase the Commodities at the Bank Sale Price on a deferred payment term subject to the terms and conditions herein contained in this Agreement.
- D. Further and pursuant to Recital C above, the Parties hereby agree that the delivery of the Commodities shall be at the instruction of the Customer as set out in the Delivery Instruction hereto.
- E. For avoidance of doubt, the sale arrangement contained in this Agreement is of non-committal in nature. Accordingly, notwithstanding any other provisions hereof, there is no obligation on either Party to enter into a Sale Transaction (as defined herein).

NOW IT IS AGREED BY THE PARTIES AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION**1.1 Definitions**

In this Agreement (including the Recitals), unless the context otherwise requires:

"Agreement" means this Agreement and includes any variation, addition or supplemental as mutually agreed by the Parties hereto.

"Available Trading Limit" in relation to the Facility means the available trading limit for the Customer following the completion of a Sale Transaction in accordance with this Agreement.

"Bank" means Al Rajhi Banking & Investment Corporation (Malaysia) Bhd (719057-X), a banking corporation incorporated in Malaysia under the Companies Act 1965 with its registered address at Ground Floor, East Block, Wisma Selangor Dredging, 142-B Jalan Ampang 50450 Kuala Lumpur and includes its successors in title and permitted assigns.

"Business Day" means a day other than Saturday or Sunday or public holiday on which banks are generally open for business in Kuala Lumpur.

"Bank Sale Price" means the price at which the Bank sells the Commodity to the Customer as stated in the Bank's Offer for Sale.

"Bank's Offer for Sale" in relation to each Sale Transaction means an offer for sale of the Commodities by the Bank to the Customer in the form set out in the Schedule 2 hereof.

"Commodity or Commodities" means the commodities comprised or intended to be comprised in each Sale Transaction that are permissible by the Shariah other than gold and silver and currencies.

"Customer" means the customer whose name and particular as set out in this Agreement and includes his successors in title and permitted assigns.

"Customer's Acceptance" in relation to each Sale Transaction means a confirmation on the acceptance of the Bank's Offer for Sale in the form set out in the Schedule 3 hereof.

"Delivery Instruction" in relation to each Sale Transaction means an instruction in the form set out in the Schedule 4 hereto issued by the Customer to the Bank for delivery of the Commodities in accordance with the Customer's instruction.

"Events of Default" means the events described in Clause 10 hereof and the expression "Event of Default" means any one of them.

"Facility" means the trade line facility pursuant to the Islamic principle of Al- Bai' Bithaman Ajil of an aggregate sum as stated in the Letter of Offer.

"Letter of Offer" in relation to the Facility means the letter of offer issued by the Bank and duly accepted by the Customer.

"Parties" means collectively the Bank and the Customer and "Party" shall refer to one of them.

"Sale Transaction" means an agreement between the Parties for the sale and purchase of the Commodities on a deferred payment term as constituted by the issuance of the Bank's Offer for Sale and Customer's Acceptance pursuant to Clause 2 hereof.

"Stamp Duty" means any stamp, registration, documentation or similar duty or tax imposition.

"Trading Limit" in relation to the Facility means the trading limit granted to the Customer as stated in the Letter of Offer.

1.2 Interpretation

Clause headings are inserted for convenience of reference only and shall be ignored in the interpretation of the Agreement. In this Agreement, unless the context otherwise requires, references to clauses and schedules are to be construed as references to the clauses of and schedules to this Agreement and references to this Agreement include its schedules; words importing the plural shall include the singular and vice versa; the male gender shall include the female and neuter genders, and references to a person shall be construed as including references to an individual, firm, bank, corporation, unincorporated body of persons or any state or any agency thereof.

No rule of construction shall apply to the disadvantage of a Party because the Party was responsible for the preparation of this Agreement or any part of it.

2. IMPLEMENTATION PROCEDURE**2.1 Sale Transaction**

2.1.1 Whenever the Customer desires to buy Commodity from the Bank he shall make a written request to the Bank of his intention in the form set out in Schedule 1 hereof. Such a request shall not be binding on the Parties.

- 2.12 If the Bank agrees to respond to the Customer's request to sell an identified and deliverable Commodity, the Bank shall issue its offer to sell to the Customer the Commodity owned by the Bank in accordance with the Bank's Offer set out in Schedule 2 hereto.
- 2.13 If the Customer accepts the offer of the Bank, he shall issue his acceptance of the offer to the Bank in accordance with the Customer's Acceptance set out in Schedule 3 hereto.
- 2.14 Upon the issuance of the Customer's Acceptance, a Sale Transaction shall be concluded on the terms and conditions of this Agreement. The Customer shall pay the Bank Sale Price on a deferred payment term in accordance with the payment instructions contained in the Bank's Offer for Sale.
- 2.15 The Bank shall immediately thereafter enable the Customer to take possession of the Commodity or deliver the Commodity to the Customer or the Customer's agent or broker or any other person appointed by the Customer in accordance with the Delivery Instruction in the form set out in Schedule 4 hereof and the cost of delivery shall be borne by the Customer, unless otherwise agreed by the Parties hereto.

2.16 Sale Transaction Concluded via Telecommunication

- In the event that the Sale Transaction is to be executed and/or concluded, fully or partially, via telephone conversation or any other means of telecommunication as agreed by the Parties, the following requirements shall be observed:
- the telephone conversation or any such telecommunication must be recorded;
 - if the Bank's Offer For Sale and/or the Customer's Acceptance are to be executed or concluded via telephone conversation or any other means of telecommunication, such Sale Offer and/or Acceptance shall be concluded in accordance with Schedule 2 and 3 respectively and the Sale Transaction shall be deemed completed. The Parties shall be confirmed in writing, as soon as practicable by sending a confirmation of the Bank's Offer For Sale and/or Customer's Acceptance in the form set out in Schedule 5 and 6 respectively.

2.2 Passing of Title and Assumption of Risk

- 2.2.1 The Commodity will be sold to the Customer on an "as is where is" basis and the customer shall have the right to inspect the commodity before accepting the Bank's Offer for Sale. Upon the completion of the Sale Transaction and the Customer is deemed to have inspected the Commodity, the title and ownership of the Commodity together with all of its rights, interest, benefits and liabilities shall immediately be transferred to the Customer.
- 2.2.2 Where the Commodity is purchased by the Bank from a dealer the Customer shall be entitled to all warranties relating to the same and the Bank shall not be deemed to give the Customer any warranty in respect of the same.
- 2.2.3 In any event if the Customer wishes for the Bank to store or keep the Commodity on his behalf such Commodity shall be kept by the Bank at the Customer's risk and cost save and except if the losses or damage to the Commodity are due to the Bank's negligence and willful misconduct.

2.3 Restriction on the Sale Transaction

Each Sale Transaction shall be subject to Available Trading Limit.

3. PAYMENT OF THE BANK SALE PRICE

The Customer shall pay the Bank Sale Price to the Bank in the manner set out in the Bank's Offer for Sale hereto.

4. UTILISATION OF COMMODITY

The Customer may utilise the Commodity in any manner as he may deem fit.

5. SECURITY DEPOSIT

By way of security for the payment of the Bank Sale Price the Customer shall deposit with the Bank the sum as stated in the Bank's Offer for Sale hereto. The Security Deposit shall be maintained at that sum throughout the tenure of the Facility and the Bank shall be entitled without any notice to the Customer to make payments out of the same in the event that any instalment payment of the Bank Sale Price shall be in arrears. In the event the amount of the Security Deposit shall fall below the stated amount the Customer shall immediately upon notification by the Bank pay into the Security Deposit account an amount sufficient to bring the level of the amount to the required amount. Provided always that the Bank shall not utilise the Security Deposit for any purpose otherwise as stated above.

6. MANNER OF PAYMENTS

6.1 Payment of Bank Sale Price

The Customer shall pay each instalment of the Bank Sale Price due promptly and in full without any prior notice from the Bank in the manner set out in the Bank's Offer for Sale.

6.2 Right to Deduct

In the event the Customer fails to pay any instalment of the Bank Sale Price on due date the Bank shall be entitled to deduct from the Security Deposit the amount of which shall be equivalent to the defaulted instalment(s).

6.3 Failure to Pay

If the Customer shall fail to pay any one or more of the instalments in the manner aforesaid and shall continue to make such default for a period of fourteen (14) days after a notice of demand has been issued by or on behalf of the Bank for such payment to be made then the entire balance of the Bank Sale Price shall become due and payable immediately. If the said amount is not paid as aforesaid, the Bank shall be entitled to take such action(s) as it may deem appropriate, including the institution of legal proceedings, to recover the amount due.

7. LATE PAYMENTS

Any instalment due under this Agreement, which is not paid on the due date, shall be deemed to be a late payment. If any of the instalment or the entire balance of the Bank Sale Price shall be required to be recovered through any process of law or otherwise, the Customer shall pay (in addition to the instalments then due and payable) the Bank's solicitors' fees (on a Solicitor and Client basis) and any other fees and expenses incurred in respect of such collection.

8. EARLY SETTLEMENT AND REBATE (IBRA)

8.1 Early Settlement

The Customer may at any time after the completion of each Sale Transaction pay the entire amount of the Bank Sale Price or any part thereof then owing to the Bank as the Bank may in its absolute discretion accept.

8.2 Rebate (IBRA)

If the Customer settles the Bank Sale Price in full or the balance thereof remaining due and payable sooner than the last instalment date, the Bank may at its absolute discretion grant to the Customer a rebate of such an amount as the Bank may determine on the date of payment.

9. REPRESENTATIONS AND WARRANTIES

9.1 Customer's Representatives and Warranties

The Customer represents and warrants to and for the benefit of the Bank:-

(a) **Status.**

That he has the legal capacity to enter into this Agreement and that he is not an undischarged bankrupt and no bankruptcy order or notice or any like order or process has been served on him or to the best of his knowledge threatened against him;

(b) **Proceedings.**

That no litigation, arbitration or administrative proceeding or claim are pending or threatened against him in any court of law and no disciplinary or similar proceedings have been taken or to his knowledge contemplated against him; and

(c) **Information.**

That the information furnished by the Customer for the purpose of this Agreement to the best of his knowledge and belief do not contain any untrue statement or omit to state any fact the omission of which makes any statements made therein in the light of the circumstances under which they are made misleading.

(d) **Restriction On Selling Of Commodity**

The Customer warrants that he shall not re-sell the Commodity, which has been sold, to the Customer by the Bank to the original supplier or the Bank.

9.2 Bank's Representations And Warranties

The Bank represents and warrants to and for benefit of the Customer:-

(a) **Commodity.**

That the Bank is the legal and beneficial owner of the Commodities and has title to the Commodities which, aforesaid the subject matter of each of a Sale Transaction and the Bank shall indemnify the Customer against any costs or liability arising out of any breach of this representation.

(b) **No Encumbrances**

The Bank warrants that pending delivery of the Commodity to the Customer it will not trade or deal in the Commodity (other than upon the Customer's instruction) or create any charge or encumbrance thereon or grant to any third party any right or interest in the Commodity, and the Bank will indemnify the Customer for any breach of this covenant.

(c) **Restriction On Selling Of Commodity**

The Bank warrants that it shall not sell to the Customer a Commodity which has been bought previously from the Customer or from a supplier or dealer of which the Customer is holding thirty per centum (30%) of its shares.

9.3 Continuing Nature Of Representations And Warranties

The Parties shall be deemed to represent and warrant to other Party on each of the dates of a Sale Transaction that the representations and warranties (updated mutatis mutandis) contained in Clause 9.1 and 9.2 hereof are true and accurate in all respects as if made on such date.

10. EVENTS OF DEFAULT

In the event an Event of Default occurs and the Customer fails to remedy the default (if remedial) within the stipulated time stated herein, the Bank may by written notice to the Customer declare that the Facility be cancelled and the full balance of the Bank Sale Price then owing shall become due and immediately payable. The Bank shall be entitled without further notice to the Customer, institute such proceedings and take such steps as it may think fit to enforce payment of all amounts due and payable pursuant to this Agreement. The following events shall constitute Events of default:

- If the Customer fails or in breach of any provisions of this Agreement which is not capable of remedy or which being capable of remedy is not remedied within fourteen (14) days after written notice to the Customer from the Bank requesting action to remedy the same; or
- If any of the representations or warranties of the Customer as stated in Clause 9.1 above is false or incorrect in any material respect; or
- If the Customer is adjudicated a bankrupt or has a Notice of Bankruptcy served on him, becomes insane or of unsound mind, dies; or
- If the Customer shall fail to pay any one or more of the instalments of the Bank Sale Price on the due date after notice has been served on him as stated in Clause 6.3 above; or
- If the Customer fails to restore the Security Deposit amount up to the level required in the Bank's Offer.

11. TERMINATION

In the event of the occurrence of any Events of Default as stated in Clause 10 above, the Bank may at any time thereafter at its option terminate the Facility and this Agreement by giving fourteen (14) days to the Customer of its intention to terminate or rescind the Facility and this Agreement. Upon such termination or rescission, the Bank Sale Price and all other obligations under this Agreement or each Sale Transaction shall be paid and/or discharge within fourteen (14) days of such termination or rescission. The termination of the Facility and this Agreement shall not affect any Sale Transaction already concluded.

12. MISCELLANEOUS

12.1 Entire Agreement.

This Agreement constitutes the entire agreement and understanding of the Parties with respect to its subject matter. Each of the Parties acknowledges that in entering into this Agreement it has not relied on any oral or written representation, warranty or other assurance (except as provided for or referred to in this Agreement) and waives all rights and remedies which might otherwise be available to it in respect thereof, except that nothing in this Agreement will limit or exclude any liability of a party for fraud.

12.2 No Waiver Of Rights

A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise, of that right, power or privilege or the exercise of any other right, power or privilege.

12.3 Stamp Duty.

The Customer shall pay the Stamp duty and other expenses (including legal fees, if any) in connection with this Agreement.

12.4 Incorporation Of Letter Of Offer

All terms and conditions of the Bank's Letter of Offer for the grant of the Facility to the Customer shall be deemed to be incorporated into and form part of this Agreement and in the event of any conflict or discrepancy between the provisions of the Letter of Offer and this Agreement, this Agreement shall prevail for the purpose of interpretation and enforcement of this Agreement.

13. NOTICES

13.1 Any notice or other communication in respect of this Agreement may be given in any manner described below to the address or number provided in Clause 13.2 and will be deemed effective as indicated:

- if in writing and delivered in person or by courier, on the date it is delivered;
- if sent by facsimile transmission, on the date it is received by the recipient or a responsible employee of the recipient in legible form; or
- if sent by certified or registered mail (airmail, if overseas) or the equivalent, three (3) Business Days after it is posted.

