

Affin Bank Berhad ("Affin" or the "Issuer")

Medium term notes programme of RM6.0 billion in nominal value for the issuance of Subordinated MTNs (as defined in the section entitled "Facility description" below) and/or Senior MTNs (as defined in the section entitled "Facility description" below) of up to a combined limit of RM6.0 billion in nominal value ("MTN Programme").

Principal Terms and Conditions

(A) CORPORATE INFORMATION OF ISSUER

- (1) Name : Affin Bank Berhad ("Affin" or the "Issuer")
- (2) Address : 17th Floor, Menara AFFIN 80, Jalan Raja Chulan 50200 Kuala Lumpur Malaysia
- (3) Date of incorporation : 23-Oct-1975
- (4) Place of incorporation : Malaysia
- (5) Business registration number : Company No. 25046-T
- (6) Residence status : Resident Controlled Company
- (7) Place and date of listing : Not Listed
- (8) Principal activities : Banking and finance
- (9) Authorised, issued and paid-up share capital : The authorised, issued and paid-up capital of the Issuer as at 15 December 2016 are as follows:

	No of Shares	Nominal Value (RM)	Amount (RM)
Authorised: Ordinary shares	2,000,000,000	1.00	2,000,000,000
Issued and fully paid-up: Ordinary shares	1,688,769,616	1.00	1,688,769,616

- (10) Structure of shareholdings and names of shareholders or, in the case of a public company, names of all substantial shareholders : **Shareholding as at 15 December 2016:**

Name	No. of shares held	% of shareholding
Affin Holdings Berhad	1,688,769,616	100%

- (11) Board of directors :
1. Tan Sri Dato' Seri Ismail Haji Omar
 2. Mohd Suffian Bin Haji Haron
 3. Tan Sri Dato' Seri Mohamed Jawhar
 4. Tan Sri Mohd Ghazali Bin Mohd Yusoff
 5. Abd Malik Bin A Rahman
 6. Aubrey Li Kwok-Sing
 7. Tang Peng Wah (alternate director to Aubrey Li Kwok-Sing)

(B) PARTIES TO THE TRANSACTION

(1) Origination :

No.	Roles	Name of parties
1	Issuer	Affin
2	Principal	Affin Hwang Investment Bank Berhad

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	Adviser	
3	Principal Adviser	Maybank Investment Bank Berhad
4	Lead Arranger	Affin Hwang Investment Bank Berhad ("Affin Hwang") / Maybank Investment Bank Berhad ("Maybank IB") (collectively, the "JPA/JLA")
5	Solicitors	Adnan Sundra & Low ("ASL")
6	Credit Rating Agency	RAM Rating Services Berhad ("RAM")
7	Trustee	Pacific Trustees Berhad

(2) At point of distribution :

No.	Roles	Name of parties
1	Issuer	Affin
2	Lead Manager	Affin Hwang, Maybank IB, AmlInvestment Bank Berhad ("AmlInvestment") ("JLM/JBR")
3	Bookrunner	Affin Hwang, Maybank IB, AmlInvestment Bank Berhad ("AmlInvestment") ("JLM/JBR")
4	Facility Agent	Affin Hwang
5	Central Depository	Bank Negara Malaysia ("BNM")
6	Paying Agent	BNM

(3) After distribution :

No.	Roles	Name of parties
1	Issuer	Affin
2	Principal Adviser	Affin Hwang Investment Bank Berhad
3	Principal Adviser	Maybank Investment Bank Berhad
4	Lead Arranger	Affin Hwang, Maybank IB
5	Facility Agent	Affin Hwang
6	Trustee	Pacific Trustees Berhad
7	Credit Rating Agency	RAM

(C) DETAILS OF FACILITY/PROGRAMME

(1) Name of facility : Medium term notes programme of RM6.0 billion in nominal value for the issuance of Subordinated MTNs (as defined in the section entitled "Facility description" below) and/or Senior MTNs (as defined in the section entitled "Facility description" below) of up to a combined limit of RM6.0 billion in nominal value ("MTN Programme").

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- (2) One-time issue or programme : Programme
- (3) Shariah principles (for sukuk) : Not applicable
- (4) Facility description : Medium term notes programme of RM6.0 billion in nominal value, for the issuance of subordinated medium term notes ("**Subordinated MTNs**") and/or senior medium term notes ("**Senior MTNs**") from time to time of up to a combined limit of RM6.0 billion in nominal value. The Subordinated MTNs and Senior MTNs are collectively referred to as the "**MTNs**".
- The Subordinated MTNs shall comply with BNM's Capital Adequacy Framework (Capital Components) issued on 13 October 2015 in relation to requirements of a Tier 2 capital instrument.
- (5) Currency : Ringgit
- (6) Expected facility/ programme size : MYR6,000,000,000.00
- (7) Option to upsize (for programme) : Yes
- (8) Tenure of facility/ programme : Perpetual
- (9) Availability period for debt/ sukuk programme : The MTN Programme is available for issuance upon completion of Transaction Documents (as defined under the section entitled "Other Terms and Conditions – Transaction Documents" and fulfilment of all conditions precedent to the satisfaction of the JLA (unless otherwise waived by the JLA). The first issuance of MTN under the MTN Programme shall be made within sixty (60) Business Days from the date of the Lodgement.
- (10) Clearing and settlement platform :
 - MyClear
- (11) Mode of issue :
 - Book building
 - Book running
 - Direct placement
 - Private placement
 - Other-The MTNs may be issued through any of the following modes: (i) bookbuilding on a best efforts basis; (ii) bookrunning on a best efforts basis; (iii) direct placement on a best efforts basis; and (iv) private placement on a best efforts basis.
- (12) Selling restrictions :
 - Part 1 of Schedule 6 of the Capital Markets & Services Act, 2007 (CMSA)
 - Part 1 of Schedule 7 of the CMSA
 - Read together with Schedule 9 of CMSA
 - Other-Selling Restrictions at Issuance The MTNs may only be offered, sold, transferred or otherwise disposed directly or indirectly to persons to whom an offer or invitation to subscribe the MTNs may be made and to whom the MTNs are issued would fall within Part I of Schedule 6 or Section 229(1)(b) and Part I of Schedule 7 or Section 230(1)(b) of the CMSA, read together with Schedule 9 or Section 257(3) of the CMSA, as amended from time to time. Selling Restrictions Thereafter The MTNs may only be offered, sold, transferred or otherwise disposed directly or indirectly to persons to whom an offer or invitation to subscribe the MTNs may be made and to whom the MTNs are issued would fall within Part I of Schedule 6 or Section 229(1)(b), read together with Schedule 9 or Section 257(3) of the CMSA, as amended from time to time.
- (13) Tradability and transferability :
 - Tradable & transferable
-

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- (14) Other regulatory approvals required in relation to the issue, offer or invitation to subscribe or purchase PDS/sukuk, and whether or not obtained : The Issuer had on 23 November 2016 obtained approval from BNM for the establishment of the MTN Programme and to classify the proceeds of the Subordinated MTNs raised under the MTN Programme as Tier 2 regulatory capital.
- (15) Details of security/ collateral pledged : Unsecured
- (16) Details of guarantee : Not guaranteed
- (17) Convertibility of Issuance : Non-convertible
- (18) Exchangeability of Issuance : Non-exchangeable
- (19) Call option : Each series of the MTNs issued under the MTN Programme may have a call option (to be determined prior to the relevant issue date) ("Call Option") to allow the Issuer, at its option, to redeem (in whole or in part) that series of the MTNs on the Call Date (if applicable for the relevant series) at its nominal value.
- "Call Date" is defined as
- (i) in the case of Subordinated MTNs, any coupon payment date after a minimum period of five (5) years from the date of issue of that series of Subordinated MTNs; and
- (ii) in the case of Senior MTNs, any coupon payment date after the issue date of that series of Senior MTNs.
- (20) Put option : No put option
- (21) Details of covenants : a. **Positive covenants**
Subordinated MTNs
- The Issuer shall comply with such applicable covenants, including but not limited to the following:
- (i) at all times perform all its obligations and promptly comply with all provisions of the Subordinated MTN Transaction Documents (as defined under the section entitled "Other Terms and Conditions – Transaction Documents" below) and the terms and conditions of the Subordinated MTNs (including but not limited to redeeming in whole or in part the Subordinated MTNs on the relevant maturity dates or any other dates on which the Subordinated MTNs are due and payable) and immediately notify the Trustee in the event that the Issuer is unable to fulfil or comply with any of the provisions of the Subordinated MTN Transaction Documents;
- (ii) keep proper books and accounts at all times on a basis consistently applied in accordance with the laws of Malaysia and generally accepted accounting principles and standards 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;
- (iii) at all times comply with any and all requirements and rules, regulations and guidelines as may be issued and/or imposed by the SC and BNM, from time to time and the applicable provisions of the CMSA;
- (iv) at all times maintain its corporate legal existence and exercise reasonable diligence in carrying on its business and affairs in a proper and efficient manner and in accordance with sound

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financial and commercial standards and practices and ensure, amongst others, that all necessary approvals and relevant licences required for it to carry on its business are obtained and maintained;

(v) at all times maintain a paying agent who is based in Malaysia;

(vi) procure that the paying agent shall notify the Trustee in the event that the paying agent does not receive payment in respect of the Subordinated MTNs from the Issuer on the due dates and in the manner as required under the Subordinated MTN Transaction Documents and the terms and conditions of the Subordinated MTNs;

(vii) ensure that the Subordinated MTN Transaction Documents (as defined in the section entitled "Other terms and conditions – Transaction Documents" below) and the Information Memorandum do not contain any matter or information which is inconsistent between them; and

(viii) any other covenants as may be advised by the Solicitors and to be mutually agreed between the JLA and the Issuer.

Senior MTNs

The Issuer shall comply with such applicable covenants, including but not limited to the following:

(i) at all times perform all its obligations and promptly comply with all provisions of the Senior MTN Transaction Documents (as defined in the section entitled "Other Terms and Conditions – Transaction Documents" below) and the terms and conditions of the Senior MTNs (including but not limited to redeeming the Senior MTNs on the relevant maturity dates or any other dates on which the Senior MTNs are due and payable) and immediately notify the Trustee in the event that the Issuer is unable to fulfil or comply with any of the provisions of the Senior MTN Transaction Documents;

(ii) keep proper books and accounts at all times on a basis consistently applied in accordance with the laws of Malaysia and generally accepted accounting principles and standards in Malaysia and provide the Trustee or any person appointed by it (e.g. auditors) access to such books and accounts to the extent permitted by law;

(iii) at all times comply with any and all requirements and rules, regulations and guidelines as may be issued and/or imposed by the SC and BNM, from time to time and the applicable provisions of the CMSA;

(iv) at all times maintain its corporate legal existence and exercise reasonable diligence in carrying on its business and affairs in a proper and efficient manner and in accordance with sound financial and commercial standards and practices and ensure, amongst others, that all necessary approvals and relevant licences required for it to carry on its business are obtained and maintained;

(v) at all times maintain a paying agent who is based in Malaysia;

(vi) procure that the paying agent shall notify the Trustee in the event that the paying agent does not receive payment in respect of the Senior MTNs from the Issuer on the due dates and in the manner as required under the Senior MTN Transaction Documents and the terms and conditions of the Senior MTNs;

(vii) ensure that the Senior MTN Transaction Documents (as defined in the section entitled "Other terms and conditions – Transaction Documents" below) and the Information Memorandum do not contain any matter or information which is inconsistent between them; and

(viii) any other covenants as may be advised by the Solicitors and to be mutually agreed between the JLA and the Issuer.

b. Negative covenants Subordinated MTNs

Not applicable.

Senior MTNs

(i) The Issuer shall not, unless it has obtained BNM's approval, reduce or alter except increase its authorised or issued and paid-up capital whether by varying the amount, structure or value thereof or the rights attached thereto or convert any of its share capital into stock, or by consolidation,

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dividing or sub-dividing all or any of its shares. For the avoidance of doubt, this covenant shall not restrict the Issuer from dividing or sub-dividing all or any of its shares provided that its authorised and paid-up share capital is not reduced, pursuant to such dividing or sub-dividing of its shares;

(ii) The Issuer shall not:

(a) consolidate or amalgamate with or merge with any other person or into another entity or transfer all or substantially all its assets to another entity; or

(b) enter into any de-merger, reconstruction or winding up unless the successor person or entity expressly assumes the Issuer's obligations under the Senior MTN Transaction Documents and after giving effect to such transaction, no event of default has occurred or is continuing or would occur,

unless BNM has granted its approval in respect of the relevant events set out in items (a) and (b) above;

(iii) The Issuer shall not cause itself to take steps to be voluntarily wound up or to dissolve itself and / or its respective affairs;

(iv) The Issuer shall not do or permit to occur or omit to do any act or omission, or execute or omit to execute any document which may render any of the Senior MTN Transaction Documents to be illegal, void, voidable or unenforceable;

(v) The Issuer shall not use the proceeds derived from the issuance of the Senior MTNs hereunder except for the purposes set out in the Lodgement, the Transaction Documents and the Information Memorandum;

(vi) The Issuer shall not surrender, transfer, assign, relinquish or otherwise dispose any of its rights and interest under the Senior MTN Transaction Documents (except as permitted or required under the Transaction Documents);

(vii) The Issuer shall not add, delete, amend or substitute its memorandum or articles of association in a manner inconsistent with the provisions of the Transaction Documents;

(viii) The Issuer shall not enter into any transaction, whether directly or indirectly with interested person (including any of its directors or its related corporation's directors, substantial shareholders or persons connected with any of them) (for the purpose of this covenant, the term "transaction" shall have the same meaning as ascribed to "related party transaction" in the Listing Rules of Bursa Malaysia ("LR")) unless:

(a) 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; and

(b) with respect to transactions involving an aggregate payment or value equal to or exceeding the applicable percentage ratios as set out in the LR at the relevant point in time, the Issuer shall obtain certification from an independent adviser that the transaction is carried out on fair and reasonable terms, provided

that the Issuer certifies to the Trustee that the transaction complies with paragraph (a), where applicable, that the Issuer has received the certification referred to in this subparagraph (b) above, and that the transaction has been approved by the majority of its board of directors and, where applicable, shareholders at a general meeting; and

(ix) Such other covenants deemed necessary or as may be advised by the Solicitors, including but not limited to the covenants which are required in order to comply with the SC's Trust Deeds Guidelines.

c. **Financial covenants**

No financial covenant

d. **Information covenants**

Subordinated MTNs

(i) The Issuer shall deliver to the Trustee:

(a) annually a certificate that the Issuer has complied with its obligations under the Subordinated MTN Transaction Documents and the terms and conditions of the Subordinated MTNs and that there did not exist or had not existed, from the date the first Subordinated MTNs were issued or

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from the date of the previous certificate as the case may be, any Enforcement Event (as defined in the section entitled "Events of default or enforcement events, where applicable, including recourse available to investors" below) and if such is not the case, to specify the same; and

(b) a copy of its annual audited consolidated financial statements within one hundred and eighty (180) days after the end of each financial year, its semi-annual unaudited consolidated financial statements within ninety (90) days after the end of each half of its financial year, copies of any other accounts, balance sheet, reports, notices, statements or circulars issued to its shareholders;

(ii) the Issuer shall notify the Trustee in the event that the Issuer becomes aware of the following:

(a) any Enforcement Event or that such other right or remedy under the terms, provisions and covenants of the Subordinated MTNs and the Subordinated MTN Trust Deed have become immediately enforceable;

(b) any circumstance that has occurred that would materially prejudice the Issuer;

(c) any substantial change in the nature of the business of the Issuer;

(d) any change in the utilisation of proceeds from the Subordinated MTNs other than for the purpose stipulated in the Information Memorandum and the Subordinated MTN Transaction Documents;

(e) any change in the Issuer's withholding tax position or tax jurisdiction; and

(f) any other matter that may materially prejudice the interest of the Subordinated MTNholders.

(iii) the Issuer shall give to the Trustee such information relating to the Issuer's affairs as the Trustee may reasonably require, in order to discharge its duties and obligations as Trustee, to the extent permitted by law; and

(iv) any other covenants as may be advised by the Solicitors and to be mutually agreed between the JLA and the Issuer.

Senior MTNs

(i) The Issuer shall deliver to the Trustee:

(a) annually a certificate that the Issuer has complied with its obligations under the Senior MTN Transaction Documents and the terms and conditions of the Senior MTNs and that there did not exist or had not existed, from the date the first Senior MTNs were issued or from the date of the previous certificate as the case may be, any Event of Default (as defined in the section entitled "Events of default or enforcement events, where applicable, including recourse available to investors") and if such is not the case, to specify the same; and

(b) a copy of its annual audited consolidated financial statements within one hundred and eighty (180) days after the end of each financial year, its semi-annual unaudited consolidated financial statements within ninety (90) days after the end of each half of its financial year, copies of any other accounts, reports, notices, statements or circulars issued to its shareholders;

(ii) the Issuer shall notify the Trustee in the event that the Issuer becomes aware of the following:

(a) any Event of Default or that such other right or remedy under the terms, provisions and covenants of the Senior MTNs and the Senior MTN Trust Deed (as defined in the section entitled "Other terms and conditions – Transaction Documents") have become immediately enforceable;

(b) any circumstance that has occurred that would materially prejudice the Issuer;

(c) any substantial change in the nature of the business of the Issuer;

(d) any change in the utilisation of proceeds from the Senior MTNs other than for the purpose stipulated in the Information Memorandum and the Senior MTN Transaction Documents;

(e) any change in the Issuer's withholding tax position or tax jurisdiction;

(f) any other matter that may materially prejudice the interest of the Senior MTNholders;

(iii) the Issuer shall give to the Trustee such information relating to the Issuer's affairs as the Trustee may reasonably require, in order to discharge its duties and obligations as Trustee, to the extent permitted by law; and

(iv) any other covenants as may be advised by the Legal Counsel and to be mutually agreed

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between the JLA and the Issuer.

(22) Details of designated account(s) : No designated account

(23) Name of credit rating agency and credit rating :

No.	Credit Rating Agency	Credit rating	Final/ Indicative rating	Partial	Amount rated
1	RAM Rating Services Bhd (RAM)	AA3	Final rating	No	MYR 6,000,000,000.00
2	RAM Rating Services Bhd (RAM)	A1	Final rating	No	MYR 6,000,000,000.00

(24) Conditions precedent : Including but not limited to the following:

(A) Main Documentation

(i) The relevant Transaction Documents in relation to the MTN Programme have been duly executed and, where applicable, stamped (unless otherwise exempted) and presented for registration.

(B) Issuer

(i) Certified true copies of the certificate of incorporation and the memorandum and articles of association of the Issuer;

(ii) Certified true copies of the most recent Forms 24, 44 and 49 of the Issuer;

(iii) Certified true copy of the board resolution of the Issuer authorising, amongst others, the establishment of the MTN Programme, issuance of the MTNs and the execution of all relevant documents thereto;

(iv) A list of the Issuer's authorised signatories and their respective specimen signatures;

(v) A report of the relevant company search conducted on the Issuer; and

(vi) A report of the relevant winding up search conducted on the Issuer.

(C) General

(i) Evidence that all relevant regulatory approvals and acknowledgements, including written approval from BNM in relation to the issuance of Subordinated MTNs, and the acknowledgement by the SC of the Lodgement;

(ii) Evidence that the MTN Programme has obtained the minimum ratings as stated in the section entitled "Credit rating(s) of facility/programme, if applicable";

(iii) Satisfactory legal opinion from the Solicitors with respect to the legality, validity and enforceability of the Transaction Documents and confirmation that all conditions precedent thereto have been fulfilled; and

(iv) Such other conditions precedent as advised by the Solicitors and mutually agreed between the JLA and the Issuer.

Conditions precedent for each subsequent issuance of the Subordinated MTNs including but not limited to the following:

(i) receipt of the BNM's prior approval for the issuance of the relevant series of Subordinated MTNs;

(ii) confirmation from the Issuer that all representations and warranties remain true and accurate in all material respect;

(iii) no Enforcement Event has occurred or is continuing or would occur as a result of an issuance of Subordinated MTNs under the MTN Programme;

(iv) satisfactory evidence that the ratings for the Subordinated MTNs shall be at least A1; and

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(v) such other conditions for subsequent issuances as advised by the Solicitors.

Conditions precedent for each subsequent issuance of the Senior MTNs including but not limited to the following:

(i) confirmation from the Issuer that all representations and warranties remain true and accurate in all material respect;

(ii) no Event of Default has occurred or is continuing or would occur as a result of an issuance of Senior MTNs under the MTN Programme;

(iii) satisfactory evidence that the ratings for the Senior MTNs shall be at least AA3; and

(iv) such other conditions for subsequent issuances as advised by the Solicitors.

(25) Representations and warranties : Representations and warranties usual and customary for a transaction of such nature, which shall include but are not limited to the following:

(i) The Issuer is duly established and validly in existence and has the power and authority to carry out its business;

(ii) The Issuer has the power to enter into the Transaction Documents and exercise its rights to perform its obligations under the Transaction Documents;

(iii) The Issuer's entry into, exercise of its rights under and performance of the Transaction Documents do not and will not violate any existing law or agreements to which it is a party;

(iv) The issuance of the MTNs has been duly authorised, and when issued and delivered pursuant to the Transaction Documents, will have been duly executed, authenticated, issued and delivered and will constitute valid and binding obligations of the Issuer enforceable in accordance with its terms;

(v) The Issuer has all licences, franchises, permits, authorisations, approvals, orders and other concessions of and from all governmental and regulatory officials and bodies that are necessary to own or lease its properties and conduct its business, other than where the failure to obtain such licences, franchises, permits, authorisations, approvals, orders and other concessions would not have a material adverse effect on the Issuer's ability to perform its obligations under the Transaction Documents;

(vi) The Transaction Documents create valid and binding obligations which are enforceable on and against the Issuer;

(vii) All necessary actions, authorisations and consents required under the Transaction Documents have been taken, fulfilled and obtained and remain in full force and effect;

(viii) The audited financial statements of the Issuer are prepared in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Issuer;

(ix) There are no legal or governmental proceedings pending or, to the knowledge of the Issuer, threatened, to which the Issuer is or may be a party or to which any property or asset of the Issuer is or may be the subject which, if determined adversely to the Issuer, could individually or in the aggregate reasonably be expected to have a material adverse effect;

(x) No event has occurred which would constitute an Enforcement Event under the Subordinated MTNs or an Event of Default under the Senior MTNs or which with the giving of notice or the lapse of time or other condition would constitute an Enforcement Event or an Event of Default, as the case may be;

(xi) No step has been taken by the Issuer, its creditors or any of its shareholders or any other person on its behalf, nor have any legal proceedings or applications been started, under Section 176 of the Companies Act 1965 in respect of the Issuer;

(xii) There has been no material change in the business and condition (financial or otherwise) of the Issuer or its subsidiaries since the date of its last audited financial statements which might have a material adverse effect on the ability of the Issuer to comply with its obligations under the Transaction Documents; and

(xiii) Such other representations and warranties as may be advised by the Solicitors and to be mutually agreed between the JLA and the Issuer.

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For the purpose of this clause, "material adverse effect" means the occurrence of any event which materially and adversely affects the ability of the Issuer to perform any of its obligations under any of the Transaction Documents or which materially and adversely affects the business, financial position, shareholders' funds or results of the operations of the Issuer.

(26) Events of defaults or enforcement events, where applicable, including recourse available to investors

: **Subordinated MTNs**

Enforcement events ("**Enforcement Events**") shall encompass the following:

(i) If the Issuer defaults in the payment of any principal or coupon in respect of the Subordinated MTNs when the same shall become due and payable in accordance with the Subordinated MTN Transaction Documents and the Issuer fails to remedy such default within a period of seven (7) business days after the Issuer became aware or has been notified by the Trustee of the default, or

(ii) an order for is made for the winding-up of the Issuer and such order is not stayed or set aside within thirty (30) days of such order being made or where so stayed, such stay lapses, or an effective resolution is passed for the winding-up of the Issuer except where such order is made or such resolution is passed for the purpose of a reconstruction or amalgamation, the terms of which have been approved by the Subordinated MTNholders by way of special resolution.

Upon the occurrence of item (i) above, subject to the terms of the Subordinated MTN Trust Deed, the Trustee may or shall (if directed to do so by a special resolution of the holders of the Subordinated MTNs) institute proceedings to enforce the payment obligations under that relevant series of Subordinated MTNs and may institute proceedings in Malaysia for the winding-up of the Issuer, provided that neither the Trustee nor any of the Subordinated MTNholders of that relevant series of Subordinated MTN shall have the right to accelerate payment of that relevant series of Subordinated MTNs in the case of such default in the payment of amount owing under that relevant series of Subordinated MTNs or any default in the performance of any condition, provision or covenant under that relevant series of Subordinated MTNs or the Subordinated MTN Trust Deed.

Upon occurrence of item (ii) above, subject to the terms of the Subordinated MTN Trust Deed, the Trustee may or shall (if directed to do so by a special resolution of the Subordinated MTNholders) declare (by giving written notice to the Issuer) that the Subordinated MTNs shall immediately become due and payable at its nominal value together with the accrued but unpaid coupon (if any) notwithstanding the stated maturity of the Subordinated MTNs.

For the avoidance of doubt, the occurrence of an Enforcement Event under item (i) above for any series of the Subordinated MTNs will not trigger the Enforcement Event for other series of the Subordinated MTNs outstanding. However the occurrence of an Enforcement Event under item (ii) above, will trigger an Enforcement Event for all series of the Subordinated MTNs outstanding.

Senior MTNs

Events of default ("**Events of Default**") shall encompass the following:

(i) the Issuer defaults in the payment of any money owing in respect of the Senior MTNs when the same shall become due and payable in accordance with the Senior MTN Trust Deed and the Issuer fails to remedy such default within a period of seven (7) business days after the Issuer became aware or has been notified by the Trustee of the default;

(ii) a winding-up order has been made against the Issuer or a resolution to wind-up the Issuer has been passed;

(iii) a scheme of arrangement under Section 176 of the Companies Act 1965 has been instituted against the Issuer;

(iv) an encumbrancer takes possession or a receiver or similar officer is appointed over the whole or a substantial part of the assets or undertaking of the Issuer;

(v) there has been a breach by the Issuer of any obligation under any of the Issuer's existing obligations which may materially and adversely affect the Issuer's ability to perform its obligations under the Senior MTN Transaction Documents, and if in the opinion of the Trustee is capable of being remedied, the Issuer does not remedy the breach within a period of seven (7) business days after the Issuer became aware of having been notified by the Trustee of the failure;

(vi) any other indebtedness of the Issuer becomes due and payable prior to its stated maturity or where the security created for any other indebtedness becomes enforceable which in the opinion of the Trustee may have a material

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adverse effect or prejudices the ability of the Issuer to comply with its obligations under the Transaction Documents;

(vii) where there is revocation, withholding, invalidation or modification of any licence, authorisation, approval or consent which in the opinion of the Trustee may have a material adverse effect;

(viii) there has been a breach by the Issuer of any term or condition in the Senior MTN or Senior MTN Transaction Documents or the Issuer fails to observe or perform its obligation under any of the Transaction Documents (other than an obligation referred to in (a) above) and in the case of a breach or failure which in the opinion of the Trustee is capable of being remedied, the Issuer does not remedy the failure within a period of seven (7) business days after the Issuer became aware of having been notified by the Trustee of the failure;

(ix) any representations and warranties made or given by the Issuer under the Transaction Documents or any certificate or document furnished pursuant to the terms of any Transaction Document, proves to have been incorrect or misleading in any material respect on or as at the date made or given, and in the case of such event which in the opinion of the Trustee is capable of being remedied, the Issuer does not remedy it within a period of seven (7) business days after the Issuer became aware of having been notified by the Trustee of the failure;

(x) at any time any of the provisions of the Transaction Documents is or becomes illegal, void, voidable or unenforceable; and

(xi) such other events of default as may be advised by the Solicitors and to be mutually agreed between the JLA and the Issuer.

Upon the occurrence of any of the above Events of Default, the Trustee may, at its discretion, or shall (if so directed to do so by a special resolution of the Senior MTNholders) declare (by giving written notice to the Issuer) that an event of default has occurred and all sums payable under the Senior MTNs are immediately due and payable at its nominal value together with the accrued but unpaid coupon (if any) and the Trustee may enforce its rights under the Senior MTN Transaction Documents.

(27) Governing laws : Laws of Malaysia

(28) Provisions on : **Subordinated MTN**
buy-back

The Issuer or any of its subsidiaries or related corporation or agent(s) of the Issuer may at any time purchase, subject to the prior approval of BNM (but which approval shall not be required for a purchase done in the ordinary course of business), the Subordinated MTNs at any price in the open market or by way of private treaty provided that no Trigger Event (as defined in the section entitled "*Other terms and conditions – Trigger Event (applicable to the Subordinated MTNs only)*" below) has occurred prior to the date of such purchase. If purchase is made by tender, such tender must (subject to any applicable rules and regulations) be made available to the Subordinated MTNholders equally.

The Subordinated MTNs purchased by the Issuer or by its subsidiaries or by agent(s) of the Issuer (other than in the ordinary course of business) shall be cancelled and shall not be resold.

The Subordinated MTNs purchased by other related corporations (other than its subsidiaries) or any interested person of the Issuer, which includes the directors, major shareholders and chief executive officer, need not be cancelled but such related corporations or interested person of the Issuer will not be entitled to vote under the terms of the Subordinated MTNs subject to any exceptions in the SC's Trust Deeds Guidelines.

For the avoidance of doubt, the Subordinated MTNs held by related corporations and the interested person of the Issuer shall not be counted for the purposes of voting subject to any exceptions in the SC's Trust Deeds Guidelines.

The term "related corporation" has the meaning given to it in the Companies Act, 1965 and the term "ordinary course of business" includes those activities performed by the Issuer or its subsidiaries or agents of the Issuer or any related corporation of the Issuer for third parties but excludes those performed for the account of the Issuer or its subsidiaries or agents of the Issuer or such related corporation.

Subject always to the requirement of the SC's Trust Deeds Guidelines where the purchase of the Subordinated MTNs by the Issuer or its subsidiaries or by agents of the Issuer shall be cancelled and shall not be resold, failing which the regulatory adjustments as set out in the Capital Adequacy Framework (Capital Components) issued by BNM issued 13 October 2015 and as updated from time to time shall apply.

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Senior MTNs

The Issuer or any of its subsidiaries or related corporations or agent(s) of the Issuer may at any time purchase the Senior MTNs at any price in the open market or by private treaty. If purchases are made by tender, such tender must (subject to any applicable rules and regulations) be made available to all Senior MTNholders of the relevant series equally.

All Senior MTNs redeemed or purchased by the Issuer or its subsidiaries or by agent(s) of the Issuer other than in the ordinary course of business shall be cancelled and shall not be resold.

The Senior MTNs purchased by other related corporations (other than its subsidiaries) or any interested person of the Issuer, which includes the directors, major shareholders and chief executive officer, need not be cancelled but they will not entitle such related corporations or interested person of the Issuer to vote under the terms of the Senior MTNs subject to any exceptions in the SC's Trust Deeds Guidelines.

For avoidance of doubt, the Senior MTNs held by related corporations and the interested person of the Issuer shall not be counted for purposes of voting subject to any exception in the Trust Deed Guidelines.

(29) Provisions on : Subordinated MTNs
early redemption

(i) Early redemption pursuant to the Call Option

In respect of each series of Subordinated MTNs with a Call Option, the Issuer may, at its sole discretion, and subject to the Redemption Conditions (as defined in the section entitled "*Other terms and conditions - Redemption Conditions (applicable to the Subordinated MTNs only)*" below) being satisfied, redeem that series of Subordinated MTNs (in whole or in part) on any Call Date at their nominal value together with accrued but unpaid coupon payment (if any). The optional redemption of one series of the Subordinated MTNs shall not trigger the redemption of other series of the Subordinated MTNs.

(ii) Early redemption pursuant to a regulatory redemption ("Regulatory Redemption")

The Issuer may, at its option, redeem a series of Subordinated MTNs (in whole or in part) at their nominal value together with accrued but unpaid coupon payment (if any), subject to the Redemption Conditions being satisfied, if a Regulatory Event (as defined below) occurs.

"**Regulatory Event**" means any time there is more than an insubstantial risk, as determined by the Issuer, that:

(a) any series of Subordinated MTNs (in whole or in part) will, either immediately or with the passage of time or upon either the giving of notice or fulfilment of a condition, no longer qualify as Tier 2 Capital of the Issuer for the purposes of BNM's capital adequacy requirements under any applicable regulations; or

(b) changes in law will make it unlawful for the Issuer to continue performing its obligations under any series of Subordinated MTNs.

(iii) Early redemption pursuant to a tax redemption ("Tax Redemption")

The Issuer may, at its option, redeem a series of Subordinated MTNs (in whole or in part) at their nominal value together with accrued but unpaid coupon payment (if any), subject to the Redemption Conditions being satisfied, if a Tax Event occurs.

"**Tax Event**" means any time there is more than an insubstantial risk that:

(a) the Issuer has or will become obliged to pay any additional taxes, duties, assessments or government charges of whatever nature in relation to the Subordinated MTNs; or

(b) the Issuer would no longer obtain tax deductions for the purposes of Malaysian corporation tax for any payment in respect of the Subordinated MTNs,

as a result of a change in, or amendment to, the laws or regulations of Malaysia or any political subdivision or

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any authority thereof or therein having power to tax, or change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the issue date and the Issuer cannot, by taking reasonable measures available to it, avoid such obligations.

In the case of a partial redemption of a series of Subordinated MTN, the selection of the Subordinated MTN to be redeemed will be made by the Trustee on a pro rata basis, by lot or by such other method as the Trustee (with the agreement of the Issuer) will deem to be fair and appropriate.

Senior MTNs

In respect of any series of Senior MTNs for which there is a Call Option, the Issuer may at its sole discretion redeem that series of Senior MTNs (in whole or in part) on any Call Date at their nominal value together with accrued but unpaid coupon payment (if any).

(30) Voting : The MTNholders shall have no voting rights in the Issuer.

Subordinated MTNs

Voting by the Subordinated MTNholders shall be carried out as follows:

Prior to upsizing of the MTN Programme:

All matters which require the Subordinated MTNholders' consent under the MTN Programme shall be carried out on a collective basis; and

Post upsizing of the MTN Programme:

All matters which require the Subordinated MTNholders' consent under the MTN Programme shall be carried out on a per series basis. Subordinated MTNholders holding a requisite amount under each series shall provide their consent for the relevant matters to be passed under the MTN Programme and the consent from the Subordinated MTNholders of all outstanding series shall have been obtained for any such resolution to be carried.

Senior MTNs

Voting by the Senior MTNholders shall be carried out as follows:

Prior to upsizing of the MTN Programme:

All matters which require the Senior MTNholders' consent under the MTN Programme shall be carried out on a collective basis; and

Post upsizing of the MTN Programme:

All matters which require the Senior MTNholders' consent under the MTN Programme shall be carried out on a per series basis. Senior MTNholders holding a requisite amount under each series shall provide their consent for the relevant matters to be passed under the MTN Programme and the consent from the Senior MTNholders of all outstanding series shall have been obtained for any such resolution to be carried.

(31) Permitted investments : No permitted investments

(32) Ta'widh (for sukuk) : Not applicable

(33) Ibra' (for sukuk) : Not applicable

(34) Kafalah (for sukuk) : Not applicable