

1.01 Corporate Information of Issuer

Issuer

- (1) *Name* : CIMB Group Holdings Berhad ("**CIMBGH**" or "**Issuer**").
- (2) *Address* : Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur Malaysia.
- (3) *Date of Incorporation* : 24 December 1956.
- (4) *Place of Incorporation* : Malaysia.
- (5) *Whether registered with Companies Commission of Malaysia (CCM)* : Yes.
- (6) *Business Registration Number* : 50841-W.
- (7) *Residence Status* : Resident controlled company.
- (8) *Place of Listing, if applicable* : Bursa Malaysia.
- (9) *Date of Listing, if applicable* : 3 November 1987.
- (10) *State if the issuer is a Malaysia government-linked company* : Yes.
- (11) *Industry Sector of the Issuer* : Finance.
- (12) *Principal activities* : Investment holding.
- (13) *Principal activities of issuer's subsidiaries, where applicable* : The principal activities of the Issuer's subsidiaries consist of commercial banking, investment banking, Islamic banking, offshore banking, debt factoring, trustee and nominee services, property ownership and management, management of unit trust funds and fund management business, stock and sharebroking and the provision of other related financial services.
- (14) *If the issuer is a special-purpose* : No.

vehicle company (SPV), state the name of the entity that established it

- (15) *Authorised, issued and paid-up capital* : The authorised and issued and paid-up share capital of the Issuer as at 31 March 2016 are as follows:

Authorised capital

RM10,000,000,000.00 comprising 10,000,000,000 ordinary shares of RM1.00 each.

Issued and paid-up capital

RM8,527,272,238.00 comprising 8,527,272,238 ordinary shares of RM1.00 each.

Note:

1. Includes 4,808 shares retained as treasury shares.

- (16) *Structure of shareholdings and names of shareholders or, in the case of public company, names of all substantial shareholders (as at 31 March 2016)* : As at 31 March 2016, the substantial shareholders of the Issuer are as follows:

Name	No. of Ordinary Shares (Percentage Owned)	
	Direct	Indirect
Khazanah Nasional Berhad	2,533,290,593 (29.71%)	
Employees Provident Fund Board	1,203,476,775 (14.11%)	
Mitsubishi UFJ Financial Group, Inc	-	818,414,637 (9.60 %)

- (17) *Ultimate shareholder(s)* : Not applicable.

- (18) *State if issuer is a related corporation of any Malaysia public listed company (PLC)* : Not related.

- (19) *Board of directors, including:* : 1. Dato' Zainal Abidin bin Putih (NRIC No. 460114-10-5191)

- (a) *National* : 2. Tengku Dato' Sri Zafrul bin Tengku Abdul

- Registration Identity Card numbers for Malaysian directors; and*
- (b) *Passport numbers for non-Malaysian directors*
3. Aziz (NRIC No. 730625-14-5707)
 4. Joseph Dominic Silva (NRIC No. 641211-10-7159)
 4. Dato' Sri Mohamad Nazir bin Abdul Razak (NRIC No. 661119-10-5909)
 5. Teoh Su Yin (F) (NRIC No. 710321-08-6674)
 6. Datuk Mohd Nasir bin Ahmad (NRIC No. 540602-07-5649)
 7. Dato' Lee Kok Kwan (NRIC No. 660103-10-7251)
 8. Glenn Muhammad Surya Yusuf (Passport No. A3817861; Country of Issue: Indonesia; Passport Expiry: 2 October 2017)
 9. Watanan Petersik (F) (Passport No. AA1866333) ; Country of Issue: Thailand; Passport Expiry: 6 August 2018)
 10. Robert Neil Coombe (Passport No. E4063410; Country of Issue: Australia; Passport Expiry: 3 August 2021)
 11. Hiroaki Demizu (Passport No. TH9922481; Country of Issue: Japan; Passport Expiry: 21 August 2019)

(20) *Name, designation and contact details of the contact person of the Issuer* : **Name**
Shahnaz Farouque Jammal Ahmad

Designation
Group Chief Financial Officer

E-mail
shahnaz.jammal@cimb.com

Contact Number
+603 2261 8999

(21) *Name, designation and contact details of the contact person of the key management personnel of the Issuer* : **Name**
Shahnaz Farouque Jammal Ahmad

Designation
Group Chief Financial Officer

E-mail
shahnaz.jammal@cimb.com

Contact Number
+603 2261 8999

1.02 Parties to the Transaction

- a. ***Names of parties involved in the lifecycle of the PDS or sukuk (i.e. origination, at the point of distribution and after distribution) and their roles and responsibilities***

Origination

Name of Party and Responsibilities

Principal Adviser

: **CIMB Investment Bank Berhad**

- Advise the Issuer, together with the Solicitors and the other advisers where applicable, on the Programme and requirements of the Securities Commission Malaysia ("**SC**").
- To assist to review, submit or lodge (as the case may be) the relevant applications and/or lodgement documents to the relevant authorities (including to the SC pursuant to the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework ("**LOLA Framework**") and to Bank Negara Malaysia ("**BNM**") to be prepared by the Solicitors and to address any comments or queries by the relevant authorities.
- To participate as a member of the due diligence working group ("**DDWG**") for the purposes of the due diligence exercise ("**Inquiry**") in relation to the Programme.
- To lodge the lodgement documents in relation to the Programme with the SC under the LOLA Framework.

Lead Arranger

: **CIMB Investment Bank Berhad**

- Together with other professional advisers, assist the Issuer in the finalisation of the structure for the Programme.
- To co-ordinate the appointment of the Solicitors and such other advisers, as may be necessary, in relation to the Programme.
- To co-ordinate the work of, and liaise with other advisers with regards to the

Programme.

- Together with the Solicitors, to assist to review and comment on the relevant legal documentation to be prepared by the Solicitors for the Programme (where relevant).
- Together with the Solicitors, to assist to provide general advice in relation to the Programme and such other assistance with matters customary for similar transactions as may be required by the Issuer.

Solicitors

: **Messrs. Adnan Sundra & Low**

- Advise on the legal issues relating to the Programme including potential liabilities in relation to the documents provided during the due diligence inquiry, and the defences available, and provide any requisite checklist(s) and/or confirmations in relation to the LOLA Framework and such other relevant SC guidelines.
- Prepare the governmental and regulatory applications (if any) relating to the Programme.
- Advise on the effectiveness of the Inquiry (including the system, procedures and enquiries) adopted by the DDWG in order to establish due diligence defence under the Capital Markets and Services Act 2007 (“**CMSA**”) and/or meet the requirements set out in all laws and guidelines applicable to the Programme.
- Prepare the inquiry documents for the Programme.
- Review the inquiry documents to ensure that they are in compliance with the requirements of the CMSA, the LOLA Framework and such other relevant SC guidelines, and to ensure there are no discrepancies in the information disclosed therein, amongst themselves and/or with that provided to the DDWG.
- Establish, implement and coordinate the Inquiry in accordance with the Due Diligence Planning Memorandum (“**DDPM**”).

- Prepare the minutes of the meetings of the DDWG (if necessary) and circulating them to other members of the DDWG for approval.
- Conduct the Inquiry on the Issuer and the identified material subsidiaries ("**Material Subsidiaries**") in accordance with the DDPM
- Review the legal and corporate documents of the Issuer and its Material Subsidiaries, conduct the legal due diligence thereon, prepare the due diligence report ("**DD Report**") and ensure that the scope of the legal due diligence is adequate for the purposes of the relevant regulatory authorities.
- Ensure a documented trail of the Inquiry.
- Compile the DD Report incorporating the DDPM, the checklists for the due diligence, report of experts (if applicable) and such verification documents as are appropriate in the circumstances.
- Prepare verification notes for verification meeting(s).
- Verify such matters as may be within their responsibility under the due diligence checklists.
- Act as secretary of the DDWG and assist the Chairman of the DDWG in co-ordinating and facilitating the requirements for completion of the Inquiry documents.
- Ensure communication of all relevant matters of the DDWG and to the DDWG.
- Ensure that there is no discrepancy between the information disclosed in the Inquiry documents compared to the Issuer's and/or its Material Subsidiaries' records reviewed during the legal Inquiry on the Issuer and its Material Subsidiaries and/or the records at the public registry.
- Provide a legal written opinion to the Principal Adviser and Lead Arranger confirming matters relating to the due

diligence, in form and substance acceptable to the Principal Adviser and Lead Arranger.

- Convene meetings of the DDWG, if required.
- Prepare, draft and sign off the DDPM, the verification notes and any supplementals thereto.
- Immediately notify the Principal Adviser, the Lead Arranger, the Lead Manager and such other relevant advisers/experts upon becoming aware of any change or likelihood of any change, that may render any information or document lodge with the SC or provided to investors to be false, misleading, or contain any material omission.

Accounting Adviser : **PricewaterhouseCoopers**

- To provide an accounting opinion whether the Capital Securities should be treated as debt or equity at initial recognition.
- To provide an accounting opinion on the subsequent measurement of the Capital Securities in the event of the occurrence of a non-viability event or a capital trigger event.

Trustee : **Pacific Trustees Berhad**

- To review and execute the Transaction Documents to the extent as it relates to its capacity as the Trustee for the Programme.

At Point of Distribution **Name of Party and Responsibilities**

Lead Manager : **CIMB Investment Bank Berhad**
Such other parties to be appointed by the Issuer

- To advise on the timing, and organisation of the marketing as well as develop a marketing and distribution strategy for the proposed issuance under the Programme.

Facility Agent : **CIMB Investment Bank Berhad**

- To check and verify the relevant issue requests.

- To prepare and submit to BNM the necessary for issuance or redemption of the Capital Securities in Real Time Electronic Transfer of Funds and Securities ("**RENTAS**") system.
- To complete the creation of the Facility and Stock Codes for the Capital Securities in the Fully Automated System For Issuing/Tendering ("**FAST**").

After Distribution

Name of Party and Responsibilities

Principal Adviser

: **CIMB Investment Bank Berhad**

- To review and submit the post issuance notice(s) with the SC, prepared by the Solicitors.

Facility Agent

: **CIMB Investment Bank Berhad**

- To maintain Facility, Stock Codes and other necessary updates in FAST on an ongoing basis until the Programme matures.
- To prepare and submit the global certificates to BNM.
- To maintain ledger and records.
- To receive issue proceeds of the Capital Securities from subscribers and pay the same to the Issuer.
- To monitor and ensure issuance does not exceed programme limit of the Programme.
- To receive the interest amount and redemption proceeds from the Issuer and pay to BNM, as Paying Agent, for onward payment to the relevant Scripless Securities Depository System ("**SSDS**") participants.
- To calculate the interest/profit amount, accreted value/redemption proceeds, late payment charges (if any) and advise the Issuer and the Trustee of the same.
- To monitor the payments from the Issuer to ensure that the payment is made to BNM before the relevant cut-off times.
- To liaise with and forward relevant

documents to BNM and the Trustee during the tenure of the Programme.

- To liaise with the Issuer and the Trustee on agency matters.

Trustee

: **Pacific Trustees Berhad**

- To ensure that the information contained in the Information Memorandum is consistent with the terms, provisions and covenants of the Trust Deed and all the relevant Transaction Documents in relation to the issuance.
- To ensure that, so long as applicable, the Issuer complies with Part IV Division 7 of the Companies Act 1965 (or its equivalent under any successor laws).
- To notify the Issuer to remedy any breach of the terms in the Trust Deed and any related Transaction Documents and/or in breaching the provisions of the CMSA in relation to the issuance.
- To make proposals/suggestions whenever the Trustee deems fit and appropriate especially when the Issuer fails to remedy any breach of the term in the Trust Deed and any related Transaction Documents and/or in the CMSA in relation to the issuance by convening a meeting with the bondholders.
- To represent and protect the interests and rights of the bondholders in accordance with the terms of the Trust Deed.
- To notify the bondholders of the occurrence of an enforcement event as soon as the trustee becomes aware of such event(s) occurring.
- To take steps to institute enforcement event proceedings against the Issuer upon proper bondholders' instructions and indemnification in accordance to any related Transaction Documents and/or any relevant laws in relation to the issuance.
- To notify the SC or such regulators (as specified in the Trust Deed and/or any other related Transaction Documents) the

occurrence of an enforcement event by the Trustee or a breach under the CMSA as soon as the Trustee has made such declaration.

- To administer the Trustees' Reimbursement Account.
- To convene and arrange bondholders' meeting(s) as and when required.

Central Depository : **Bank Negara Malaysia**

- The Central Depository is responsible for the safe custody of the global certificate in the capacity as central securities depository.

Paying Agent : **Bank Negara Malaysia**

- The Paying Agent is responsible for the carrying out functions, duties and obligations pursuant to the Central Depository and Paying Agency Rules issued by Malaysian Electronic Clearing Corporation Sdn Bhd.

1.03 Details of Facility/Programme

- (1) *Name of facility* : An Additional Tier 1 Capital Securities Programme (“**Programme**”) of RM10.0 billion in nominal value for issuance of Additional Tier 1 Capital Securities thereunder (“**Capital Securities**”).
- (2) *One-time issue or programme* : Programme.
- (3) *Facility Description* : Programme for the issuance of the Capital Securities. The Capital Securities are intended to qualify as Additional Tier 1 Capital for CIMBGH pursuant to the Capital Adequacy Framework (Capital Components) issued by BNM dated 13 October 2015 and as updated from time to time (“**New CA Framework**”).
- (4) *Currency* : Ringgit.
- (5) *Expected facility/programme size (for programme, to state the option to upsize)* : RM10.0 billion.
Option to upsize:
Yes.
- (6) *Tenure of the Facility/programme* : Tenure of Programme
Perpetual.
- (7) *Availability period for debt* : The Programme shall be available for utilization for a period of thirty (30) years from the date of the first issuance of the Capital Securities under the Programme. The first issuance of the Capital Securities shall be within sixty (60) business days from the date of lodgement with the SC.
- (8) *Clearing and settlement platform* : MyClear.
- (9) *Mode of issue* :
 - Bought deal
 - Private placement
 - Book running

 - Other:
Each tranche of Capital Securities may be issued via private placement on a best efforts basis, or on a bought deal basis, or book running on a best efforts basis, without prospectus.
Issuance of the Capital Securities shall be in

accordance with the (1) the Participation and Operation Rules for Payment Securities Services ("**MyClear Rules**") issued by MyClear and (2) the Operational Procedures for Securities Services issued by MyClear ("**MyClear Procedures**"), as amended or substituted from time to time (collectively, "**MyClear Rules and Procedures**"), subject to such variation, amendments or exemptions (if any) from time to time.

- (10) *Selling Restrictions* :
- Part I of Schedule 6 of the CMSA
 - Part I of Schedule 7 of the CMSA
 - Read together with Schedule 9 of the CMSA

Other:

The Capital Securities are tradable and transferable subject to the Selling Restrictions (described below).

Selling Restrictions at issuance

The Capital Securities may only be offered, sold, transferred or otherwise disposed directly or indirectly, to a person to whom an offer for subscription or purchase of, or invitation to subscribe for or purchase of the Capital Securities and to whom the Capital Securities are issued would fall within:

- (i) Part I of Schedule 6 (or Section 229(1)(b)) and Part I of Schedule 7 (or Section 230(1)(b)); read together with
- (ii) Schedule 9 (or Section 257(3))

of the CMSA as amended from time to time, and such other selling restrictions as may be applicable outside Malaysia.

Selling Restrictions after issuance

The Capital Securities may only be offered, sold, transferred or otherwise disposed directly or indirectly, to a person to whom an offer for subscription or purchase of, or invitation to subscribe for or purchase of the Capital Securities and to whom the Capital Securities are issued would fall within:

- (i) Part I of Schedule 6 (or Section 229(1)(b)); read together with

(ii) Schedule 9 (or Section 257(3))

of the CMSA as amended from time to time, and such other selling restrictions as may be applicable outside Malaysia.

(11) *Tradability and Transferability* : Tradable and transferable.

(12) *Details of security/collateral pledged, if applicable* : Unsecured.

(13) *Details of guarantee, if applicable* : Not guaranteed.

(14) *Convertibility of Issuance* : Convertible, details as follows:

Only in the event the Capital Trigger Event Conversion is elected as the Capital Trigger Event Loss Absorption, and the details of the convertible feature are set out in the paragraph entitled "Other terms and conditions" - *Capital Trigger Event Conversion*" below.

(15) *Exchangeability of Issuance and details of Exchangeability* : Not-exchangeable.

(16) *Call option and details, if applicable* : Call option, details as follows:

Subject to the approval from BNM and the Redemption Conditions (as defined below) being satisfied, the Issuer may exercise its option to redeem the Capital Securities pursuant to Optional Redemption, Regulatory Redemption and Tax Redemption (as defined below).

1. Optional Redemption

CIMBGH may, at its option and subject to the Redemption Conditions being satisfied, redeem the Capital Securities (in whole or in part) at the Redemption Amount on any Optional Redemption Date.

2. Tax Redemption

If there is more than an insubstantial risk that:

(i) CIMBGH has or will become obliged to pay Additional Amounts (as defined in the paragraph entitled ("Other terms and conditions" – "Withholding Taxes") or any taxes other than the Additional Amounts (if any), in relation to the Capital

Securities; or

- (ii) CIMBGH would no longer be able to obtain tax deductions under Malaysian corporation tax for the distribution payment made in respect of the Capital Securities,

and CIMBGH cannot, by taking reasonable measures available to it, avoid such additional obligations, then CIMBGH may, at its option, redeem the Capital Securities (in whole or in part) at the Redemption Amount, subject to the Redemption Conditions being satisfied.

3. Regulatory Redemption

If any tranche of the Capital Securities (in whole or in part) no longer, either immediately or with the passage of time or upon either the giving of notice or the fulfilment of a condition, qualify as Additional Tier 1 Capital of the Issuer for the purposes of BNM's capital adequacy requirements or any regulations applicable to the Issuer, then the Issuer may, at its option, and subject to the Redemption Conditions being met, redeem the Capital Securities in whole or in part at the Redemption Amount.

In this paragraph, the following definitions have the following meanings:

"Redemption Amount" means in the case of an Optional Redemption, a Tax Redemption or a Regulatory Redemption, an amount equal to 100% of the nominal value together with accrued but unpaid and uncanceled Distributions (if any) relating to the then current distribution period (if any) up to (and excluding) the date on which the Capital Securities are redeemed.

"Redemption Conditions" means:

- (i) the Issuer is solvent at the time of redemption of a tranche of Capital Securities or part thereof and immediately thereafter;
- (ii) the Issuer: (a) shall replace that tranche of Capital Securities or part thereof to be redeemed with capital of the same or better quality and the replacement of such

capital is done at conditions which are sustainable for the income capacity of the Issuer; or (b) demonstrates that its capital position is and can be sustained well above the minimum capital adequacy and capital buffer requirements as imposed by BNM after the redemption; and

- (iii) the Issuer has obtained the written approval of BNM prior to redemption of that tranche of Capital Securities or part thereof.

"Optional Redemption Date" means a date to be determined prior to issuance. In the case of a tranche of Capital Securities under the Programme, a date falling no earlier than the fifth anniversary of the relevant issue date, and any Distribution Payment Date (as defined in the paragraph entitled ("Other terms and conditions" – "Coupon/interest Payment frequency and basis") thereafter.

(17) *Put option and details, if applicable* : No put option.

(18) *Details of covenants* : (1) Positive Covenant

The Issuer shall comply with such applicable positive covenants which are required in order to comply with the Trust Deeds Guidelines issued by the SC ("**Trust Deeds Guidelines**") including, but not limited to the following:-

- (a) Exercise diligence in carrying on its business and keep in force and effect all licenses, consents and rights necessary for the conduct of its business;
- (b) Maintain a paying agent in Malaysia;
- (c) Maintain proper books and accounts and deliver financial statements to the Trustee on a timely manner;
- (d) Ensure that the Capital Securities shall at all times be governed by the guidelines issued and to be issued from time to time by BNM;
- (e) Ensure that there are no amendments to the Memorandum and Articles of Association of the Issuer in the manner that is inconsistent with the rights and

obligations of the Issuer under the Transaction Documents (as defined in the paragraph entitled ("*Other terms and conditions*" – "*Transaction Documents*"); and

- (f) Any other covenants as may be advised by the Solicitor and mutually agreed with the Issuer.

(2) Information Covenant

The Issuer shall comply with such applicable information covenants which are required in order to comply with the Trust Deeds Guidelines including, but not limited to the following:-

- (a) The Issuer shall deliver to the Trustee:
 - (i) a copy of its annual audited financial statements within one hundred and eighty (180) days after the end of its financial year;
 - (ii) as soon as they become available (and in any event within 90 days after the end of the first half of its financial year), copies of its unaudited half-yearly financial statements, which are duly certified by any one of its directors; and
 - (iii) any other accounts, balance sheet, report, notice, statement, circular or other documents issued by the Issuer to its shareholders;
- (b) The Issuer shall no later than one hundred eighty (180) days after the end of each financial year, deliver to the Trustee a certificate signed by an authorised signatory of the Issuer, certifying that the Issuer has complied with and performed its obligations under the Trust Deed and the terms and conditions of the Capital Securities and the other Transaction Documents and that there did not exist and there had not at any time existed, from the issue date of the Capital Securities or the date of the previous certificate, as the case may be, any Enforcement Event (as defined in the paragraph entitled "*Events of defaults or enforcement events, where applicable*,"

including recourse available to investors") and if such is not the case, the certificate should specify the same;

- (c) The Issuer shall promptly provide to the Trustee any information relating to its affairs to the extent permitted by law or as stipulated in the Trust Deed as the case may be, as the Trustee may from time to time require in order to discharge its duties and obligations as Trustee under the Trust Deed and the other Transaction Documents;
- (d) The Issuer shall immediately notify the Trustee in writing in the event that the Issuer becomes aware of the following:
 - (i) upon the occurrence of any Enforcement Event, the Issuer shall take reasonable steps and / or such other steps as may be reasonably requested by the Trustee to remedy and / or mitigate the Enforcement Event;
 - (ii) any circumstance that has occurred or any other matter that may materially prejudice the ability of the Issuer to perform its obligations under the Transaction Documents or in respect of the Capital Securities;
 - (iii) any substantial change in the nature of the business of the Issuer;
 - (iv) any change in the utilisation of the proceeds from the Capital Securities from that set out in the lodgement to the SC, the Information Memorandum or any of the Transaction Documents which sets out the purpose for which proceeds are to be utilised;
 - (v) any change in the Issuer's withholding tax position or tax jurisdiction; and
 - (vi) any other matter that may materially prejudice the interests of the holders of the Capital Securities.
- (e) 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 Trust Deeds Guidelines.

(iii) Negative Covenant
No negative covenant.

(iv) Financial Covenant
No financial covenant.

- (19) *Details of designated account(s), if applicable, including:* : No designated account.
- (a) *names of account;*
 - (b) *parties responsible for opening the account;*
 - (c) *parties responsible for maintaining and operating the account;*
 - (d) *signatories to the account;*
 - (e) *sources and utilisation of funds; and*
 - (f) *diagram illustrating the flow of monies and conditions for disbursements;*
- (20) *Name of credit rating agency, credit rating (state whether final or indicative) and amount rated, if applicable;* : Name of Rating Agency
RAM Rating Services Berhad ("**RAM**").
- Credit Rating
A1.
- Final/Indicative
Final rating.
- Amount rated
RM10,000,000,000.00
- (21) *Conditions precedent* : Customary conditions precedent for a transaction of this nature including:
- (a) legal opinions from the Solicitor to the Lead Arranger;
 - (b) certified copies of the following:
 - (i) the memorandum and articles of

association, and any other constitutive documents of CIMBGH; and

- (ii) the resolution(s) of the Board of Directors of CIMBGH authorising issuance of the Capital Securities, the execution of documents relating to the Capital Securities and the entry into and performance of the transactions contemplated thereby;
- (c) the requirements relating to the lodgement of the documents and information relating to the Capital Securities in accordance with Section A and Part 3 (Private Debt Securities and Sukuk) of Section B of the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC have been complied with;
- (d) the Transaction Documents have been signed and, where applicable, stamped (unless otherwise exempted) and presented for registration;
- (e) the approval from BNM to establish the Programme of up to RM10.0 billion;
- (f) the Issuer has obtained a minimum long term rating of A1 for the Programme from RAM;
- (g) a report of the relevant company search of the Issuer;
- (h) a report of the relevant winding up search or the relevant statutory declaration of the Issuer (in form and substance acceptable to the Lead Arranger) signed by a director of the Issuer declaring that the Issuer is not wound up and that no winding up petition has been presented against the Issuer; and
- (i) such other conditions precedent as may be advised by the Solicitor to the Lead Arranger.

It is a condition precedent to each issuance of Capital Securities in respect of which the Capital Trigger Event Conversion is elected as Capital Trigger Event Loss Absorption that all relevant approvals, if required, from BNM,

Bursa Malaysia Securities Berhad and shareholders of CIMBGH, for the issuance of shares pursuant to a Capital Trigger Event Conversion have been obtained.

- 22) *Representations and Warranties* : Representation and warranties will include such representation and warranties customary and standard for a transaction of this nature, and shall include, but not limited to the following:
- (a) The Issuer is duly established and validly in existence under the laws of Malaysia and has the power and authority to carry out its business;
 - (b) The Issuer has the power to enter into the Transaction Documents and exercise its rights to perform its obligations under the Transaction Documents;
 - (c) The Issuer's entry into and the exercise of the Issuer's rights and obligations under the Transaction Documents do not violate any existing law or regulation;
 - (d) The Transaction Documents are valid, binding and enforceable;
 - (e) All necessary actions, authorisations and consents required under the Transaction Documents and the Capital Securities have been obtained and remain in full force and effect;
 - (f) The audited accounts of the Issuer are prepared in accordance with generally accepted accounting principles and standards and represent a true and fair view of the Issuer's financial position;
 - (g) Save as disclosed in the Information Memorandum, there is no litigation which has a Material Adverse Effect (as defined below), is presently in progress or pending or threatened against the Issuer or any of its assets;
 - (h) The Issuer has all licences, permits, authorizations, 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 conducts its business, other than where the failure to obtain

such licences, permits, authorizations, approvals, orders and other concessions would not have a Material Adverse Effect;

- (i) The Information Memorandum and other information supplied do not contain any untrue statement or omit to state any fact the omission of which makes the statements misleading and are not misleading except that, when warranted information is a forecast, the warranty will be to the effect that the forecast has been made on the basis of assumptions which were reasonable at the time when they were made and after due enquiry;
- (j) 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 or threatened under Section 176 of the Companies Act 1965 (or its equivalent under any successor laws);
- (k) There has been no change in the business or 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; and
- (l) Any other representation and warranties as may be advised by the Solicitor.

"Material Adverse Effect" means any material adverse effect on the business of or condition (financial or otherwise) in relation to the Issuer or its results or operations or the ability of the Issuer to perform or comply with any of its obligations under any of the Transaction Documents (or which it is a party to);

- (23) *Events of defaults or enforcement events, where applicable, including recourse available to investors* : There are no events of default under the Capital Securities.

Upon occurrence of any of the following events ("**Enforcement Events**"):

- (a) A default made in the payment of any amount in respect of a tranche of the Capital Securities when due and payable, which default continues for 7 business days consecutively then, the Trustee may, at its discretion or shall (if directed to do

so by an special resolution of the holders of the defaulted tranche of the Capital Securities), and without further notice, institute Winding Up Proceedings against the Issuer in Malaysia (but not elsewhere) provided that, neither the Trustee nor such holders shall have any right to accelerate payment of such Capital Securities in the case of non-payment of Distribution on, or other amounts owing under, such Capital Securities or a default in the performance of any other covenant under the Transaction Documents by the Issuer. For the avoidance of doubt, (i) the occurrence of such event in respect of a tranche of the Capital Securities shall not trigger an Enforcement Event in respect of the other tranches of the Capital Securities and (ii) no Distribution shall be due and payable if such Distribution has been cancelled or is deemed cancelled (in each case, in whole or in part) under the Limitation On Payment of Distribution (as defined in the paragraph entitled "*Other terms and conditions*" – "*Limitation on Payment of Distribution*")

- (b) If a Winding Up Proceeding (as defined below) commences in respect of CIMBGH, or an effective resolution of the shareholders of CIMBGH is passed for a Winding Up Proceeding in respect of CIMBGH, the holders of the relevant tranche of the Capital Securities may, at such holders' option, declare (via the Trustee) the nominal value of and any accrued, unpaid and uncanceled Distribution amounts on the Capital Securities to be due and payable immediately, by a notice in writing to CIMBGH. Upon such a declaration, such nominal value and any accrued, unpaid and uncanceled Distribution amounts shall become immediately due and payable.

"Winding Up Proceeding" means the occurrence of any of the following:

- (i) a court or agency or supervisory authority in Malaysia having jurisdiction in respect thereof shall have instituted a proceeding or entered a decree or order for the appointment of a receiver or

liquidator in any insolvency, rehabilitation, readjustment of debt, marshalling of assets and liabilities, or similar arrangements involving CIMBGH or all or substantially all of its properties, or for the winding up of or liquidation of its affairs and such proceeding, decree or order shall not have been vacated or shall have remained in force undischarged or unstayed for a period of 60 days; or

- (ii) CIMBGH files a petition to take advantage of any insolvency statute.

(24) *Governing laws* : The Capital Securities will be governed by, and shall be construed in accordance with the laws of Malaysia.

(25) *Provisions on buy-back, if applicable* : Provisions on buy-back, details as follows:

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 Issuer or any of its subsidiaries or agents of the Issuer may at any time purchase the Capital Securities or part thereof at any price in the open market or by private treaty provided no Non-Viability Event 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 all holders of the Capital Securities equally. The Capital Securities purchased by the Issuer or its subsidiaries or agents of the Issuer (other than in the ordinary course of business) shall be cancelled and shall not be resold.

The Capital Securities 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 Capital Securities subject to any exceptions in the SC's Trust Deeds Guidelines.

For the avoidance of doubt, subject always to the requirement of the Trust Deeds Guidelines where the purchase of the Capital Securities by the Issuer or its subsidiaries (if any) or by

agents of the Issuer (other than in the ordinary course of business) shall be cancelled and shall not be resold, neither the Issuer nor an affiliated party (as defined in the New CA Framework) over which the Issuer exercises control or significant influence can purchase the Capital Securities, nor can the Issuer directly or indirectly have financed its purchase.

- (26) *Provisions on early redemption* : Provisions on early redemption, details as follows:

Please see the paragraph entitled (*Call option and details, if applicable*).

- (27) *Voting* : Voting by the holders of the Capital Securities shall be carried out on a "per tranche" basis and not on a collective basis.

The holders of the Capital Securities shall have no voting rights in any way whatsoever that are of an equivalent nature to those of the shareholders of CIMBGH.

- (28) *Permitted investments, if applicable* : No permitted investments

- (29) *Other terms and conditions*

- (a) *Tenure of the Capital Securities* : Perpetual

- (b) *Coupon / interest or equivalent rate (%)* : Subject to the paragraph entitled ("*Other terms and conditions*" – "*Limitation on Payment Distribution*"), the Capital Securities confer a right to receive distribution ("**Distributions**") from (and including) the issue date at the Distribution Rate (as defined below).

Distribution Rate

The rate of the Distribution ("**Distribution Rate**") shall be determined prior to the issuance of each tranche of Capital Securities.

The Distribution Rate shall be either (a) a fixed rate applicable throughout the tenure of the Capital Securities, OR (b) a floating rate based on the aggregate of a benchmark rate plus a credit spread subject to a reset of the benchmark rate PROVIDED that (i) the credit spread in the Distribution Rate shall be maintained at all times, and (ii) the basis for

determining the benchmark rate shall be the same throughout the tenure of the Capital Securities.

- (c) *Coupon / interest payment frequency and basis* : Subject always to the paragraph entitled ("*Other terms and conditions*" – "*Limitation on Payment Distribution*"), Distribution will be payable on quarterly or semi-annually in arrear (the "**Distribution Payment Date**"), to be determined prior to issuance of each tranche of Capital Securities.
- (d) *Coupon / interest payment basis* : Actual / 365.
- (e) *Yield to Maturity (%)* : The applicable yield for each tranche will be determined prior to the issue date of that tranche.
- (f) *Details on utilisation of proceeds* : Proceeds from the issuance of each tranche of Capital Securities will be used by CIMBGH to on-lend to CIMBGH's subsidiaries, investment into CIMBGH's subsidiaries and other corporate purposes.
- (g) *Other regulatory approvals required in relation to the issue, offer or invitation and whether or not obtained (please specify)* : CIMBGH has on 4 April 2016 obtained approval from BNM to establish the Programme.
- (h) *Limitation on Payment of Distribution* : The payment of Distribution under the Capital Securities shall be at the Issuer's sole and absolute discretion and is subject to:
- (i) Such payment not resulting in a breach of the capital requirements applicable to the Issuer under the relevant BNM's capital guidelines;
 - (ii) The Issuer is solvent at the time of payment of the Distribution and the payment of the Distribution will not result in the Issuer becoming, or likely to become insolvent; and
 - (iii) Such payment being made from Distributable Reserves (as defined below) only.

"Distributable Reserves" means at any time, the amounts for the time being available to the Issuer for distribution as a dividend as of the date of the Issuer's latest audited financial statements in compliance with section 365 of

the Companies Act (or its equivalent under any successor laws) provided that if the Issuer reasonably believes that the available amounts as of any Distribution Determination Date are lower than the available amounts as of the date of the Issuer's latest audited financial statements and are insufficient to pay the Distributions and for payments of any dividends or other distributions in respect of other liabilities or obligations of the Issuer which by their terms or by operation of law, rank pari passu with the Capital Securities, on the relevant Distribution Payment Date, then two (2) directors of the Issuer shall provide a certificate to the holders of the Capital Securities, on or prior to such Distribution Determination Date, setting out the available amounts as of such Distribution Determination Date (which certificate of the two (2) directors will be binding absent manifest error) and the Distributable Reserves as of such Distribution Determination Date for the purposes of such Distribution will mean the available amounts as set forth in such certificate.

"Distribution Determination Date" means, with respect to any Distribution Payment Date, the day falling five (5) business days prior to that Distribution Payment Date.

If the Issuer is unable to meet any of the conditions (i), (ii) or (iii) above, the Issuer shall cancel the Distribution which would otherwise have been payable on such Distribution Payment Date. Any such cancellation will not constitute or be deemed a default by the Issuer or constitute an Enforcement Event for any purpose whatsoever.

The Issuer may also, at its option, cancel the Distribution which would otherwise have been payable on such Distribution Payment Date, where the right of the holders of the Capital Securities to receive such Distribution shall be lost and the Issuer shall have no obligation to pay the holders of the Capital Securities the Distribution which would otherwise have been payable on such Distribution Payment Date. If the Issuer does not make a Distribution on the relevant Distribution Payment Date (or if the Issuer elects to make a payment of a portion, but not all, of such Distribution), such non-payment or part-payment shall serve as evidence of the Issuer's exercise of its discretion to cancel such Distribution (or the

portion of such Distribution not paid), and accordingly such Distribution (or the portion thereof not paid) shall not be due and payable.

If practicable, the Issuer shall provide notice of any cancellation of Distribution (in whole or in part) to the holders of the Capital Securities on or prior to the relevant Distribution Payment Date. If practicable, the Issuer shall endeavour to provide such notice at least five (5) business days prior to the relevant Distribution Payment Date. Failure to provide such notice will not have any impact on the effectiveness of, or otherwise invalidate, any such cancellation of Distribution, or give the holders of the Capital Securities any rights as a result of such failure.

Any such cancellation will not constitute or be deemed a default by the Issuer or constitute an Enforcement Event for any purpose whatsoever.

"Unpaid Distribution Amount" means any Distribution which is cancelled by the Issuer pursuant to this Limitation on Payment of Distributions clause.

Circumstances for Cumulative Distribution

Notwithstanding the above, if (i) the Capital Securities or any tranche thereof no longer qualify as Additional Tier 1 capital of the Issuer (in whole and not in part) for the purposes of BNM's minimum capital adequacy requirements under any applicable regulations, and such disqualification has been confirmed by BNM in writing, and (ii) the Issuer is not in breach of BNM's minimum capital adequacy ratio requirements applicable to the Issuer, any Distribution accrued and payable thereafter, but deferred at the Issuer's sole and absolute discretion shall start to become cumulative and compounding at the Distribution Rate from (and including) the period beginning the date of notification from BNM of such disqualification ("**Disqualification Date**") up to the date of actual payment of such deferred Distribution. In such circumstances, any Distribution, together with accrued amounts relating to the compounding of such Distribution will become due and payable no later than 10 years from the date where the

relevant Distribution were first deferred, or upon redemption of the Capital Securities, whichever is earlier. Further, any Distribution accrued and payable after the Disqualification Date may be deferred at the Issuer's sole and absolute discretion but shall not be cancelled in accordance with the provisions of this paragraph.

- (i) *Dividend Stopper and Capital* : In the event that CIMBGH has not made a full payment of any Distribution on a Distribution Payment Date then (A) CIMBGH shall not pay any dividends to its shareholders or make any interest payment or distribution on any security or instruments ranking pari passu with or junior to the Capital Securities and which terms do not require CIMBGH to make such interest payment or distribution (the "**Dividend Stopper**"); and (B) CIMBGH shall not redeem, purchase, reduce or otherwise acquire any of its ordinary shares, preference shares, securities or instruments ranking pari passu with or junior to the Capital Securities, or any securities of any of its subsidiary benefiting from a guarantee from CIMBGH, ranking, as to the right of redemption of principal, or in the case of any such guarantee, as to the payment of sums under such guarantee, pari passu with or junior to the Capital Securities (the "**Capital Stopper**").

The Dividend Stopper and the Capital Stopper shall continue to apply, as the case may be, until either (i), (ii) or (iii) below is met:

- (i) CIMBGH has paid full Distributions scheduled for two consecutive semi-annual Distribution Payment Dates or four consecutive quarterly Distribution Payment Dates (as the case may be) after the application of the Dividend Stopper and the Capital Stopper;
- (ii) CIMBGH has irrevocably set aside in a separately designated trust account of the Issuer for payment to the holders of the Capital Securities, an amount sufficient to provide for the full Distributions scheduled for two consecutive semi-annual Distribution Payment Dates or four consecutive quarterly Distribution Payment Dates (as the case may be) after the application of the Dividend Stopper and the Capital

Stopper and if upon determination of the amount of each of such Distribution there is a shortfall in the amounts set aside in such separately designated trust account with reference to the amounts so determined, an amount at least equal to such shortfall shall be paid or irrevocably set aside in the same manner; or

- (iii) an Optional Distribution (as defined below) has, at the option of CIMBGH and subject to BNM's approval, been paid to all holders of the Capital Securities equal to, (without duplication of amounts previously paid to the holders of the Capital Securities), amounts outstanding (if any) on the Capital Securities which were scheduled to be paid in the 12 months before the date of payment of the Optional Distribution.

"Optional Distribution" means an amount, equal to any Unpaid Distribution Amount, scheduled to have been paid during the 12 month period immediately preceding the date on which CIMBGH shall pay the Optional Distribution.

- (j) Non Viability Absorption Loss : Following the occurrence of the following trigger events (each a **"Non-Viability Event"**), whichever is earlier:
 - (i) BNM has notified the Issuer in writing that BNM is of the view that the principal write off of the Capital Securities, together with the conversion or write off of any other Tier 2 Instruments and Tier 1 Instruments which, pursuant to their terms or by operation of law, are capable of being converted into equity, or written off at that time, is necessary, without which the Issuer and its subsidiaries ("**CIMBGH Group**"), would cease to be viable; or
 - (ii) BNM publicly announces that a decision has been made by BNM, or any other federal or state government in Malaysia, to provide a capital injection or equivalent support to the Issuer, without which the CIMBGH Group would cease to be viable,

BNM shall have the option to require the entire principal outstanding or such portion thereof and all other amount owing under the Capital Securities be written off, and if BNM elects to

exercise such option, subject to and as of the date of the occurrence of the Non-Viability Event, each of the holders of the Capital Securities hereby irrevocably waives its right to receive repayment of the principal amount of the Capital Securities and also irrevocably waives its right to any Distribution (including Distribution accrued but unpaid up to the date of the occurrence of a Non-Viability Event).

Such write off shall not constitute an event of default or enforcement event, nor would it trigger a cross-default under any other outstanding Capital Securities.

A Non-Viability Event shall be deemed to have occurred on the day on which the Issuer received the notification from BNM.

Upon the occurrence of a Non-Viability Event, the Issuer is required to give notice to the holders of the Capital Securities (via the Trustee) and the Rating Agency in accordance with the terms of the Capital Securities, that as of the relevant write-off date:

- (i) the write-off shall reduce:
 - (a) the claim of the Capital Securities in liquidation. The holders of the Capital Securities will be automatically deemed to irrevocably waive their right to receive, and no longer have any rights against the Issuer with respect to, any repayment of the aggregate principal amount of the Capital Securities written-off;
 - (b) the amount to be re-paid when a redemption is exercised pursuant to the Optional Redemption, Regulatory Redemption and Tax Redemption; and
 - (c) Distributions;
- (ii) the write-off shall be permanent and the full or part (as the case may be) of the principal amount of the Capital Securities will automatically be written-off to zero and the whole or part (as the case may be) of the Capital Securities will be cancelled.

(k) Capital Trigger Event : A Capital Trigger Event occurs when the Common Equity Tier 1 Ratio of the Issuer, at the consolidated level falls below 5.125% as determined and confirmed by BNM and/or the Issuer (as the case may be), as of the relevant quarterly reporting date where the quarterly unaudited consolidated financial results of CIMBGH are published, announced and made publicly available, when such Capital Trigger Event occurs ("**Capital Trigger Event Date**").

"**Common Equity Tier 1 Ratio**" means the common equity tier 1 capital ratio as determined by the New CA Framework.

(l) Capital Trigger Event Loss Absorption : Means either of the following:

(i) Capital Trigger Event Write Off; or

(ii) Capital Trigger Event Conversion.

which shall be determined by the Issuer prior to the issuance of each tranche of the Capital Securities under the Programme.

(m) Capital Trigger Event Write Off : In the event that **Capital Trigger Event Write Off** is elected as Capital Trigger Event Loss Absorption, upon the occurrence of a Capital Trigger Event, the relevant nominal value of Capital Securities shall be written off, together with the write off or conversion of other relevant Tier 1 Instruments which pursuant to their terms or by operation of law, are capable of being converted into equity, or written off at that time, in order for the Common Equity Tier 1 Ratio of the Issuer, at the consolidated level, to be at least 5.75%. Such write off under the Capital Securities, together with the write off or conversion of other relevant Tier 1 Instruments, if any, shall be done on a pro-rata basis.

Each of the holders of the Capital Securities hereby irrevocably waives its right to receive repayment of the principal amount of the Capital Securities which are written off pursuant to the above, and also irrevocably waives its right to any Distribution (including distribution accrued but unpaid up to the date of the occurrence of a Capital Trigger Event).

Such write off shall not constitute an event of default or enforcement event, nor would it trigger a cross-default under any other

outstanding Capital Securities.

- (n) Capital Trigger Conversion Event : In the event that **Capital Trigger Event Conversion** is elected as Capital Trigger Event Loss Absorption, upon the occurrence of a Capital Trigger Event, subject to the absence of a Conversion Inability Event, such nominal amount of Capital Securities shall be converted to the shares in the Issuer at the relevant **Conversion Price** (as defined below) such that the effect of such conversion, together with the write off or conversion of other relevant Tier 1 Instruments which pursuant to their terms or by operation of law, are capable of being converted into equity, or written off at that time, will return the Common Equity Tier 1 Ratio of the Issuer at the consolidated level to be at least 5.75%. Such conversion of the Capital Securities, together with the write off or conversion of other relevant Tier 1 Instruments, if any, shall be done on a pro-rata basis.

In relation to each tranche of Capital Securities, where **Capital Trigger Event Conversion** is elected as Capital Trigger Event Loss Absorption, the maximum number of the aggregate shares that the holders of the Capital Securities may receive from the conversion of the said Capital Securities of the relevant tranche under the Programme pursuant to the Capital Trigger Event Conversion, together with the aggregate shares capable of being converted from (i) the other outstanding Capital Securities issued under this Programme and/or (ii) any other outstanding Tier 1 Instruments which pursuant to their terms or by operation of law, are capable of being converted into equity ("**Maximum Shares**"), shall not exceed 30% of the share capital base of the Issuer as at the issue date of the relevant tranche of the Capital Securities. In the event there is a reduction in the share capital base of the Issuer at any time after the issue date of the relevant tranche of the Capital Securities, resulting in a lower share capital base of the Issuer, the Maximum Shares shall be automatically adjusted so that the Maximum Shares shall not exceed 30% of the share capital base of the Issuer at any point in time.

Conversion Price

Subject to Delisting Event, the relevant Conversion Price shall be the relevant Volume Weighted Average Price ("VWAP") of the Issuer for twenty (20) Market Day preceding the Capital Trigger Event Date ("**Capital Trigger Event VWAP**"), subject to the conversion price floor, which is equivalent to a percentage (to be determined prior to issuance) ("**Conversion Price Floor**") of VWAP of the Issuer twenty (20) Business Days prior to the issue date of the Capital Securities ("**Issue Date VWAP**") and provided that the Conversion Price shall not be (a) lower than the par value of the resulting shares in the Issuer and (b) subject to Delisting Event, at any discount to the relevant VWAP which is more than that permitted under the Bursa Malaysia Listing Requirements. The Issue Date VWAP will be subject to adjustments as set out in the Transaction Documents.

"**Market Day**" means a day on which the stock market of the Bursa Malaysia Securities Berhad is open for trading in securities.

(i) **Delisting Event**

In the event where, on the date of the occurrence of Capital Trigger Event, the shares in CIMBGH ceases or has ceased to be listed on the stock exchange, or if the shares is not quoted on the stock exchange due to a lengthy trading suspension of more than consecutive period of 10 business days, the Conversion Price, upon the Capital Trigger Event, shall be the closing price of the shares in CIMBGH where it was last traded before the shares ceased to be listed on the stock exchange, or when the shares in CIMBGH has been suspended for trading, whichever is applicable. For the avoidance of doubt, such Conversion Price shall also be subject to the Conversion Price Floor.

(ii) **Conversion Inability Event**

In the event that CIMBGH is prevented by any applicable law, court order, or action of any government authority (including but not limited to insolvency, winding up or administration procedures) to convert the Capital Securities into shares, a Conversion Inability Event is deemed to have occurred. On the date of a

Capital Trigger Event, if Conversion Inability Event subsists, such nominal amount of Capital Securities which was subject to conversion under the Capital Trigger Event Conversion, shall be written off, and each of the holders of the Capital Securities hereby irrevocably waives its right to receive repayment of the principal amount of the Capital Securities which are written off pursuant to this clause and its rights to receive any shares under the terms of the Capital Securities.

Adjustment to Issue Date VWAP

The Issue Date VWAP shall from time to time be adjusted by the directors of the Issuer and certified by the auditors in any of the following events:

- (i) an alteration of the par value of the Issuer's ordinary shares by reason of any consolidation or subdivision;
- (ii) an issue by the Issuer of ordinary shares to ordinary shareholders credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature and including any share premium account and capital redemption reserve fund);
- (iii) a capital distribution to ordinary shareholders made by the Issuer in cash or in specie or by way of issue of shares or other securities whether by way of a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets);
- (iv) an offer or invitation made by the Issuer to ordinary shareholders by way of rights whereunder they may acquire or subscribe for ordinary shares;
- (iv) an offer or invitation made by the Issuer to ordinary shareholders by way of rights under where they may acquire or subscribe for securities convertible into ordinary shares or securities with rights to acquire or subscribe for ordinary shares; or
- (v) such other events as may be agreed

between the Issuer and the Lead Arranger.

The basis for the Issue Date VWAP adjustment will be set out in the Transaction Documents.

No adjustment to or change in the Issue Date VWAP will be required in respect of any of the following events:

- (i) an issue by the Issuer of ordinary shares or other securities or rights to acquire or to subscribe for ordinary shares to employees, including the directors of the Issuer, or any of its subsidiaries pursuant to any share or option schemes approved by its members in general meeting;
- (ii) an issue by the Issuer of ordinary shares or securities convertible into or with rights to acquire or subscribe for ordinary shares, in any case in consideration or part consideration for the acquisition of any other securities, assets or business;
- (iii) any issue of new ordinary shares upon the exercise of any conversion rights attached to securities convertible into ordinary shares (including the conversion of the relevant Capital Securities pursuant to a Capital Trigger Event Conversion) or upon exercise of any other rights including the exercise of rights of holders of warrants issued by the Issuer;
- (iv) a special issue by the Issuer of ordinary shares or other securities required by any relevant authority to comply with the policy of the Government of Malaysia on capital participation in industry or in compliance with any regulations or guidelines made or approved by any relevant authorities;
- (v) any issue by the Issuer of ordinary shares or other securities convertible into or with rights to acquire or subscribe for ordinary shares (other than bonus or rights issues);
- (vi) any purchase by the Issuer of its own ordinary shares in accordance with the Companies Act, 1965 (or its equivalent under any successor laws) and all other

applicable laws and regulations;

- (vii) the issue by the Issuer of securities convertible into or rights to acquire or subscribe for ordinary shares as replacement for existing securities convertible into or rights to acquire or subscribe for ordinary shares;
- (viii) any issue of securities as a private placement which in any one financial year do not exceed 10% or if it exceeds 10% of its outstanding issued and paid-up share capital;
- (ix) any restricted issue of securities;
- (x) any issue of new shares arising from a dividend reinvestment scheme which allows shareholders an option to elect to reinvest their cash dividend entitlements into new shares; and
- (xi) such other events as may be agreed between the Issuer and the Lead Arranger.

Approval and authorisation for Conversion

All prior approvals from the relevant regulators (if any) and shareholders and all other relevant authorisation for such contingent conversion shall have been obtained prior to an issuance of the Capital Securities in respect of which the Capital Trigger Event Conversion is elected as Capital Trigger Event Loss Absorption, and the Issuer shall also undertake that there will be sufficient authorised share capital to effect such conversion such that the Capital Trigger Event Conversion shall take place automatically upon the occurrence of Capital Trigger Event.

Such conversion shall not constitute an event of default or enforcement event, nor would it trigger a cross-default under any other outstanding Capital Securities.

- (o) Ranking : The Capital Securities are direct and unsecured subordinated obligations of CIMBGH.

Upon the occurrence of any Winding Up Proceeding, amounts payable on the Capital

Securities will be subordinated in right of payment to the prior payment in full of all deposit liabilities and all other liabilities of CIMBGH except, in each case, to those liabilities which by their terms rank equal with or junior to the Capital Securities.

Claims in respect of the Capital Securities will rank pari passu and without preference among themselves and with the most junior class of preference shares (if any) of CIMBGH and any security or other similar obligation issued, entered into or guaranteed by CIMBGH that constitutes or could qualify as Additional Tier 1 capital of CIMBGH on a consolidated basis, pursuant to the relevant requirements set out in BNM's guidelines, or otherwise ranks or is expressed to rank, by its terms or by operation of law, pari passu with the Capital Securities, but in priority to the rights and claims of holders of the ordinary shares of CIMBGH.

(p) Setting off

: No holder of the Capital Securities may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by CIMBGH in respect of, or arising under or in connection with, the Capital Securities, and each holder of the Capital Securities shall, by virtue of his holding of any Capital Securities, be deemed to have waived all such rights of set-off, deduction, withholding or retention against CIMBGH in relation to the Capital Securities to the fullest extent permitted by law. If at any time any holder of the Capital Securities receives payment or benefit of any sum in respect of the Capital Securities (including any benefit received pursuant to any such set-off, deduction, withholding or retention) other than in accordance with the terms of the Capital Securities, the payment of such sum or receipt of such benefit shall, to the fullest extent permitted by law, be deemed void for all purposes and such holder of the Capital Securities, by virtue of his holding of any Capital Securities, shall, agree as a separate and independent obligation to immediately pay an amount equal to the amount of such sum or benefit so received to CIMBGH (or, in the event of its winding-up or administration, the liquidator or, as appropriate, administrator of CIMBGH) and, until such time as payment is made, shall hold such amount in trust for CIMBGH (or the liquidator or, as appropriate, administrator of CIMBGH) and accordingly

any payment of such sum or receipt of such benefit shall be deemed not to have discharged any of the obligations under the Capital Securities.

- (q) Guarantee : The Capital Securities will not be secured or covered by a guarantee of CIMBGH or any related entity of CIMBGH, or any other arrangement that legally or economically enhances the seniority of the claims of the holders of the Capital Securities.
- (r) Withholding taxes : All payments in respect of the Capital Securities by or on behalf of CIMBGH shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or government charges of whatever nature imposed, levied, collected, withheld or assessed by or within any relevant jurisdiction, unless the withholding or deduction of the taxes is required by law.
- In the event such taxes are imposed, CIMBGH will not have to pay additional amounts ("**Additional Amounts**") as may be necessary in order that the net amounts received by the holders of the Capital Securities after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Capital Securities in the absence of the withholding or deduction.
- (s) Amendments to the terms and Conditions of the Capital Securities : Amendments to the terms and conditions of the Capital Securities shall only be made with the prior approval of BNM, where such proposed amendments could impact its eligibility as Additional Tier 1 capital of CIMBGH.
- (t) Transaction Documents : The Capital Securities shall be evidenced by, inter alia, the following:
1. the Capital Securities (in the form of global certificates and/or definitive certificates);
 2. the Securities Lodgement Form;
 3. each Subscription Agreement;
 4. the Trust Deed;
 5. the Programme Agreement; and
 6. all other documents relating to the Capital

Securities as advised by the Solicitor to the Lead Arranger.

- (u) Option to Upsize : The Issuer shall have the option to upsize the Programme limit provided that (a) there is no adverse impact on the rating of the Programme; and (b) the relevant regulatory approvals have been obtained (including but not limited to the approval from BNM). For the avoidance of doubt, no consent from the existing holders of the outstanding Capital Securities at that time is required for the purposes of the upsizing of the programme limit.