

Terms and Conditions Governing Loan Facilities

The terms and conditions set out here ("these terms") shall, in addition to General Terms and Conditions Governing Accounts (as amended from time to time and updated on www.icicibankbahrain.com), apply to all the Secured Loan Facilities (including overdraft and/or guarantee facilities), granted by ICICI Bank Limited, Bahrain Branch (the "Bank") to any Borrower pursuant to the Secured Loan Facility Application for the Purpose, on the security of the Notes/ deposit(s) as specified in the Secured Loan Facility Application.

The Borrower may, from time to time, apply to the Bank in writing, through the Application, for a Facility to be granted by the Bank to the Borrower. If the Bank, in its sole discretion, agrees to grant the above request, the Bank will make disbursement under the Facility in accordance with the Application and these terms.

The Bank shall send a Facility Confirmation Advice to the Borrower, which shall contain the final commercial terms on which the Facility is granted by the Bank, such terms being final, conclusive, and binding on the Borrower. The Borrower shall continue to be bound by these terms, the Application, and the Facility Confirmation Advice with respect to the Facility. In the event of any inconsistency between these terms, the Application and/or the Facility Confirmation Advice, then (a) the terms in the Application shall prevail over these terms; and (b) the terms in the Facility Confirmation Advice shall prevail over these terms and the Application.

Interpretation

Unless the context requires otherwise, the following expressions shall have the following meanings in these terms:

"Borrower" means the borrower of the Secured Loan Facilities;

"Business Day" means a day on which banks are open to the general public for business in Bahrain, excluding Fridays, Saturdays and public holidays;

"Call Deposit Account" means the Call Deposit Account maintained or required to be maintained by the Borrower or any other relevant third party with the Bank for the purposes of the Facility;

"Equity" means the amount in cash required to be deposited by the Borrower as balance subscription money for the purchase or subscription of the Notes;

"Event of Default" means the events of default set out in Clause <9> of these terms;

"Facilities" or "Secured Loan Facilities" means the Secured Loan Facilities granted or to be granted by the Bank to the Borrower pursuant to the Secured Loan Facility Application; "Facility Confirmation Advice" means the Facility Confirmation Advice sent by the Bank to the Borrower in connection with the approval by the Bank of the Facility requested by the Borrower pursuant to the Application containing the final commercial terms and conditions for the Facility as approved by the Bank, which shall be final and binding on the Borrower. To the extent of any inconsistency between the Application and Facility Confirmation Advice, the Facility Confirmation Advice shall prevail;

"Interest Payment Date" has the meaning ascribed to it in Clause <6> of these terms;

"Interpolated Reference Rate" means, the rate (rounded to the same number of decimal places as the two relevant Term SOFR) which results from interpolating on a linear basis between:

- (a) the applicable Term SOFR for the longest period (for which that Term SOFR is available) which is less than the interest period; and
- (b) the applicable Term SOFR for the shortest period (for which that Term SOFR is available) which exceeds the interest period,

each as of the 5:00 AM (Central Time) on the Quotation Day;

"Maturity Date" means the maturity date on which the Facility is to be repaid, as set out in the Facility Confirmation Advice;

"Notes" means certain structured notes, equity-linked notes, credit-linked notes, bonds, and other non-equity securities provided as security from time to time for the Secured Loan Facilities;

"Pledge Document" means the Pledge Agreement over deposits and securities or any other security document as stipulated by the Bank, executed or to be executed by the Borrower or other third party as security for the Facilities;

"Principal Amount" means the principal amount of the Facility specified in the Facility Confirmation Advice;

"Purpose" means the purpose for the Facilities, as declared by the Borrower in the Secured Loan Facility Application;

"Quotation Day" means, in relation to any interest period for which an interest rate is to be determined, two (2) US Government Securities Business Days before the first day of such interest period;

"Reference Rate" means:

- (a) the applicable Term SOFR as of 05:00 AM (Central time) on Quotation Day and for a period equal in length to the interest period of that loan; or
- (b) (if no Term SOFR is available for any period for which interest is determined) the Interpolated Reference Rate for that loan;
- (c) if:
 - (i) no Term SOFR is available; or
 - (ii) no Term SOFR is available for the period for which interest is determined for that loan and it is not possible to calculate an Interpolated Reference Rate for that loan, the rate expressed as a percentage rate per annum to be the Bank's cost of funds relating to its participation in that loan, on the Quotation Day and, if any such applicable Term SOFR or Interpolated Reference Rate is below zero, Reference Rate will be deemed to be zero;

"Secured Loan Facility Application" or "Application" means the application of the Borrower for the Secured Loan Facilities;

"Secured Loan Terms" means the terms and conditions governing the Facilities, including those contained in these terms;

"Secured Obligations" means all advances and monies extended to all liabilities whatsoever arising from time to time, whether actual or contingent, present or present or future, and all cost interests (both before and after judgment thereof and including default interest) fees and expenses (including legal fees on a full indemnity basis), and all other sums from time to time, due under the Facility, the Application, the Pledge Document, other relevant security documents for the Facility or otherwise by the Borrower to the Bank;

"SOFR" means the secured overnight financing rate (SOFR) administered by the Federal Reserve Bank of New York (or any other person which takes over the administration of that rate) published (before any correction, recalculation or republication by the administrator) by the Federal Reserve Bank of New York (or any other person which takes over the publication of that rate);

"Structured Deposit Application Form" means the form through which the Borrower invests in any structured deposits;

"Subscription/Transaction Agreement" means the agreement through which the Borrower invests in any investment product pursuant to the investment Services Agreement; and "Third Party Pledger" means any third party pledger who provides security for the obligations of the Borrower to the Bank pursuant to the Pledge Documents.

"Term SOFR" means the term SOFR reference rate administered by CME Group Benchmark Administration Limited (or any other person which takes over the administration of that rate)

for the relevant period published (before any correction, recalculation or republication by the administrator) by CME Group Benchmark Administration Limited (or any other person which takes over the publication of that rate);

"US Government Securities Business Day" means any day other than:

- (a) a Saturday or a Sunday; and
- (b) a day on which the Securities Industry and Financial Markets Association (or any successor organisation) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in US Government securities.

Where two or more persons constitute the expression "the Borrower", all covenants, agreements, undertakings, stipulations, conditions, and other provisions hereof and their liability hereunder shall be deemed to be, be made by and be binding on them jointly and severally.

1. Conditions precedent to Disbursement of Facility

Subject to such conditions precedent as the Bank may stipulate, the Facility will become available to the Borrower:

1.1 When the Bank has received in form and substance satisfactory to the Bank, the following:

- (a)
 - (i) in cases where the Facility is availed for the purpose of financing, either in part or in whole, the Borrower's investment in the Notes/deposit(s), the duly completed and executed Investment Services Agreement, Subscription/Transaction Agreement and appropriate telephone instruction (where applicable) and the Deposit Opening Form/Structured Deposit Application Form and other relevant document, from the Borrower or other relevant third parties;
 - (ii) in other cases, confirmation/documentation to its satisfaction that all relevant documentation/formalities in connection with the Notes/deposit(s) proposed to be given as security for the Facility have been duly completed and are in full force and effect;
- (b) the Application, duly completed and signed, by the Borrower;
- (c) Pledge Document (as defined above) duly executed by the Borrower and/or other relevant Third party pledger(s) in favour of the Bank pursuant to which the Borrower and/or other relevant Third party pledger(s) pledges, charges assigns and mortgages the Notes/ deposit(s) as security in favour of the Bank for the Secured Obligations;
- (d) without prejudice to the provisions of the Pledge Document) the charged / pledged property under the Pledge Document and the deposits specified in the Secured Loan

Facility shall be charged / pledged and shall continue to remain charged / pledged to the Bank unless and until the Secured Obligation is fully discharged and paid to the Bank. The amount(s) remitted towards any coupon payment on, or on the maturity of, the charged / pledged property and all dividends, interest, monies, entitlements and other distributions, allotments and accretions whatsoever received in respect of the charged / pledged property (inclusive of any interest earned on application monies) shall, at the discretion of the Bank, first be appropriated towards payment of the interest and other overdue amounts accrued on the Facility, regardless of whether an Event of Default under these Terms or under the Pledge Document has occurred. Any balance shall, at the discretion of the Bank, be booked in a deposit for a tenure as the Bank may deem fit in its absolute discretion and at the same time shall earn interest at the deposit rate prevailing from time to time. These deposits and the interest accrued thereon shall remain charged / pledged as security for the Secured Obligation;

- (e) (where the Borrower is a company), certified true extract of Director's Resolutions in a format acceptable to the Bank, authorizing acceptance of the Facility and shareholders' resolutions, if required by the Bank;
- (f) where the third party pledger is a company, certified true extract of Director's Resolutions authorizing the execution of the Pledge Document and the giving of security thereto in a format acceptable to the Bank and shareholders' resolutions, if required by the Bank;
- (g) (where the Borrower is a company), certified true copy of the up-to-date Memorandum and Articles of Association and Certificate of Incorporation of the Borrower;
- (h) (where the third party pledger is a company), certified true copy of the up-to-date Memorandum and Articles of Association and Certificate of Incorporation of the company; and
- (i) any other documents which the Bank may reasonably request;

1.2 upon the following conditions being satisfied:

- (a) all acts, conditions and things required to be done and performed and to have happened prior to the execution and delivery of the Investment Services Agreement, the Subscription/ Transaction Agreement, the other relevant application/ subscription form for the Notes or the deposit(s) (in cases where the Facility is availed of for the purpose of financing, either in part or in whole, the Borrower's investment in the Notes or the deposit(s)), the Application and the Pledge Document in order to constitute the same legal, valid and binding obligations enforceable against the Borrower and/or other relevant third party pledger(s) in accordance with their respective terms, shall have been done and performed and have happened in due compliance with all applicable laws;

- (b) all costs and expenses incurred by the Bank in connection with the Facility have been paid by the Borrower;
- (c) there is no material adverse change in the financial condition of the Borrower and/or other relevant third party pledger(s), which in the opinion of the Bank will affect the ability of the Borrower and/or other relevant third party pledger(s) to perform the obligations hereunder and/or under the Pledge Document;
- (d) no Event of Default (as defined in these Terms) has occurred and is continuing and, no event has occurred which, with the giving of notice and/or lapse of time, might constitute an Event of Default;
- (e) satisfactory results of all relevant searches conducted on the Borrower and other third party pledgers; and
- (f) any other conditions which the Bank may reasonably impose.

1.3 In cases where the Facility is availed for the purpose of financing, either in part or in whole, the Borrower's investment in the Notes or the deposit(s), upon the Borrower depositing into the Call Deposit Account the balance subscription moneys, if any, for the purchase of the Notes or the investment in the deposit(s) within two Business Days of the date on which the investment in the Notes is to be made in accordance with the Investment and Custodial Services Agreement; and

1.4 Upon the satisfaction of the other prescribed conditions by the Bank.

2. Currency, Purpose, Availability Period, Disbursement and Utilisation of the Facility

The Facility may be made available in such currency(ies) as specified by the Bank from time to time, and selected by the Borrower in the Application. The Bank reserves the right to change the currency of the Facility at any time at its sole discretion.

The Borrower shall utilize the Facility only for the Purpose stipulated in the Application. The Bank shall not be obliged to verify that the Facility is in fact used for the Purpose.

Subject to the satisfaction of the conditions precedent applicable to the Facility, the principal amount ("Principal Amount") of the Facility shall be available in only one drawdown in full (upon giving prior written notice of at least two (2) Business Days to the Bank before drawdown) on or before the final availability date, which shall be deemed to be the date falling one (1) month from the date of the Application, unless otherwise specified by the Bank, failing which, the Facility will expire and stand cancelled. The Bank may, upon request by the Borrower, at its sole discretion, make the Facility available for drawdown in more than one drawing.

Subject to the satisfaction of the conditions precedent applicable to the Facility, the Principal Amount of the Facility shall be disbursed by the Bank directly into the Borrower's Call Deposit Account or such other account of the Borrower with the Bank, or with any other branch of ICICI Bank Limited or with any other bank, as may be approved by the Bank.

In cases where the Facility is availed for the purpose of financing, either in whole or in part, the Borrower's investment in the Notes, the Principal Amount of the Facility shall, subject to satisfaction of the conditions precedent applicable to the Facility, be disbursed by the Bank directly into the Borrower's Call Deposit Account one (1) Business Day prior to the date on which the investment in the Notes is to be made in accordance with the Investment Services Agreement or on such other dates as the Bank may determine. In such cases, the Principal Amount together with Equity, if applicable, shall be debited by the Bank to purchase the Notes. The Principal Amount of Facility and Equity may be reduced at the discretion of the Bank depending on the nominal amount of the Notes actually purchased or (in the case of a primary issue) allocated, which allocation shall be made by the Bank in its absolute discretion. The reduction of the Principal Amount and the Equity will be such that the original ratio between the Principal Amount and the Equity is maintained. The final values of the Principal Amount and Equity shall be specified in the Facility Confirmation Advice.

Overdraft and/or guarantee facility against the security of any Notes/ deposit(s) may be granted by the Bank, at its sole discretion, subject to the terms and conditions hereunder and subject to such other terms and conditions as may be stipulated at the time of granting the facility.

If the Borrower overdraws the accounts or exceeds the agreed overdraft limit at any time, the Borrower shall immediately pay such amount overdrawn together, with any interest commission and other charges as may be stipulated by the Bank at its discretion.

Interest on any overdraft facility or the guarantee commission on any guarantee facility granted shall be calculated at the rate specified by the Bank in the respective application forms/ Facility Confirmation Advice and in a manner as may be prescribed by the Bank for each product from time to time. Any unpaid interest/ commission shall be capitalised each month and added to the principal amount for the purpose of calculating subsequent interest.

3. Tenure and Repayment of the Facility

The Principal Amount of the Facility, together with the Secured Obligations shall be repaid on the Maturity Date (or, in case repayment is stipulated to take place in several tranches, on the stipulated repayment dates) applicable to the Facility, set out in the Facility Confirmation Advice.

In cases where the Facility is availed for the purpose of financing, either in whole or in part, the Borrower's investment in the Notes, in the event that the Bank is not able to purchase the Note for the Borrower pursuant to the Investment Services Agreement, the Subscription/Transaction Agreement, the other relevant application/ subscription form for the Notes for any reasons whatsoever, the Facility together with all Secured Obligations shall become immediately due and payable by the Borrower on the date specified by the Bank.

The Borrower covenants to pay to the Bank interest accrued on the Facility on each Interest Payment Date thereof set out in the Facility Confirmation Advice.

The Bank has the overriding right at any time to demand immediate payment and repayment of the Principal Amount and all Secured Obligations on and all other monies whatsoever in respect of the Facility.

Unless otherwise agreed to by the Bank, the payment of each and every sum at any time due from the Borrower under the Facility shall be made in the currency in which the Facility is made available.

4. Margin Call and Right of Review

The Borrower will upon the Bank's written demand, and as security for the Secured Obligations, transfer, assign, pledge, charge and mortgage, and undertakes to procure that the third party pledger transfers, assigns, pledges, charges and mortgages such additional securities/ deposits/ other property to the Bank as the Bank may deem fit such that the aggregate value of such securities/ deposits/ other property charged / pledged / secured to the Bank (for the purpose of this provision, collectively the "Pledged Property") is at least equivalent to a specified percentage (determined by the Bank in its sole discretion) (for the purpose of this Clause <4>, "Security Requirement") of the Principal Amount, and will, within five (5) Business Days of receiving notice from the Bank, deposit with or procure the deposit with the Bank and secure/ charge / pledge to the Bank such additional deposits (in freely transferable and available funds into the Call Deposit Account) or securities or other property (as the case may be) as the Bank may require to ensure that the aggregate value of the Pledged Property placed does not fall below the Security Requirement as determined by the Bank in its sole discretion to its satisfaction.

The Bank shall be entitled to review at any time and from time to time, the Facility granted by the Bank and it shall be within the sole and absolute discretion of the Bank to decide whether the Facility shall be terminated, cancelled, repaid, reduced or varied in any way and such termination, cancellation, repayment, reduction or variation shall take effect upon issue of a notice by the Bank.

5. Voluntary Prepayment

The Borrower shall not be entitled to prepay the Facility (either in whole or in part) before the Maturity Date, unless with a prior written consent of the Bank and subject to satisfaction of such conditions as the Bank may from time to time specify, in which case the Bank shall also be entitled to impose a prepayment charge at its sole discretion.

The Bank may, but is not obliged, to give its written consent to the Borrower to allow prepayment to be made. In particular, in the event the Borrower or the relevant third party pledger is required to assign, charge, pledge, and mortgage additional cash or other acceptable securities (value whereof is referred to in this provision as the "Additional Amounts") as additional security for the Secured Obligations, the Borrower may be permitted to prepay an amount equal to the Additional Amount (based on such valuation as may be ascribed by the Bank), subject to the following and such other conditions as the Bank may in its discretion specify:

(a) the Borrower provides prior written notice to the Bank of his intention to make the prepayment at least three (3) Business Days before the date on which the deposits/securities pertaining to Additional Amounts are to be provided; and (b) the Borrower pays the prepayment charge as specified by the Bank at its sole discretion, on or before such date.

6. Interest and Default Interest

The rate of interest specified in the Application is only indicative. The final interest rate will depend on the market conditions and other factors, which shall be specified in the Facility Confirmation Advice.

Interest calculated at the rate specified in the Facility Confirmation Advice (calculated on a <360>-day year or a <365>-day year basis, as the case may be selected by the Bank, unless otherwise specified in writing by the Bank) shall be payable on the dates specified in the Facility Confirmation Advice ("Interest Payment Date(s)").

Where the Facility is given on a fixed rate of interest basis, rate of interest payable on the Principal Amount of the Facility shall be the fixed rate specified in the Facility Confirmation Advice.

Where the Facility is given on a floating rate of interest basis, the rate of interest payable on the Principal Amount of the facility shall be the aggregate of the applicable "Reference Rate" (based on the tenor of the Facility) and "Margin", as specified in the Facility Confirmation Advice. The Bank shall be entitled to vary the Margin at any time at its discretion.

Each "Interest Period" shall be for the number of calendar months corresponding to the Reference Rate specified in the Facility Confirmation Advice. For instance, and by way of

illustration only, where the applicable Reference Rate is specified as <3> month Reference Rate, the Interest Period shall be three (3) months, where the Reference Rate is six (6) month Reference Rate, the Interest Period shall be six (6) months. The first Interest Period shall start on the date of drawdown of the Facility. Each successive Interest Period shall start on the last date of the immediately preceding Interest Period. Provided that in cases where an Interest Period extends beyond the Maturity Date / final repayment date specified in the Facility Confirmation Advice, all accrued interest together with the Principal Amount and all Secured Obligations shall be payable on the Maturity Date / final repayment date.

(a) .

All interest on the Facility shall be charged and payable at the respective rates provided under the Application and Facility Confirmation Advice up to the date of full payment of the amounts due, or the due date thereof, whichever is later. Any interest rate, margin and/ or interest rate benchmark may be varied by the Bank during the duration of the Facility by notice of such variation. Notwithstanding the foregoing, the notice requirement shall not apply to variations in the Bank's Prime rate and any interest rate arising from variation of the Bank's Prime rate. The Bank shall be entitled at any time to vary the Bank's Prime rate, without prior notice.

Any overdue and unpaid interest/commission shall be capitalised, each month and added to the Principal Amount for the purpose of calculating subsequent interest.

Any amounts that are not paid when due in accordance with these Secured Loan Terms shall carry additional interest of <3>% p.a. over and above the interest specified in the Facility Confirmation Advice (both before and after judgment thereof).

6A. Replacement of Reference Rate

If a Reference Rate Replacement Event has occurred in relation to the Reference Rate, any amendment or waiver which relates to:

- (i) providing for the use of a Replacement Benchmark in relation to Reference Rate; and
- (ii)
 - (A) aligning any provision of any Transaction Document to the use of that Replacement Benchmark;
 - (B) enabling that Replacement Benchmark to be used for the calculation of profit under this Agreement (including, without limitation, any consequential changes required to enable that Replacement Benchmark to be used for the purposes of this Agreement);
 - (C) implementing market conventions applicable to that Replacement Benchmark;
 - (D) providing for appropriate fallback (and market disruption) provisions for that Replacement Benchmark; or
 - (E) adjusting the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one Party to another as a result of the

application of that Replacement Benchmark (and if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Relevant Nominating Body, the adjustment shall be determined on the basis of that designation, nomination or recommendation),
may be made unilaterally by the Bank

(b) In this Clause 6A:

"Relevant Nominating Body" means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them.

"Replacement Benchmark" a benchmark rate which is:

(i) formally designated, nominated or recommended as the replacement for Reference Rate by:

(A) the administrator of Reference Rate (provided that the market or economic reality that such benchmark rate measures is the same as that measured by Reference Rate); or

(B) any Relevant Nominating Body,
and if replacements have, at the relevant time, been formally designated, nominated or recommended under both paragraphs, the "Replacement Benchmark" will be the replacement under paragraph (B) above;

(ii) in the opinion of the Bank, generally accepted in the international or any relevant domestic syndicated loan markets as the appropriate successor to Reference Rate; or

(iii) in the opinion of the Bank, an appropriate successor to Reference Rate.

"Reference Rate Replacement Event" means, in relation to the Reference Rate:

(i) the methodology, formula or other means of determining Reference Rate has, in the opinion of the Bank and the Borrower, materially changed;

(ii) if:

(A) the administrator of Reference Rate or its supervisor publicly announces that such administrator is insolvent or information is published in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body which reasonably confirms that the administrator of Reference Rate is insolvent, provided that, in each case, at that time, there is no successor administrator to continue to provide the Reference Rate.

(B) the administrator of Reference Rate publicly announces that it has ceased or will cease to provide Reference Rate permanently or indefinitely and, at that time, there is no successor administrator to continue to provide Reference Rate;

(C) the supervisor of the administrator of Reference Rate publicly announces that Reference Rate has been or will be permanently or indefinitely discontinued; or

(D) the administrator of Reference Rate or its supervisor announces that Reference Rate may no longer be used; or

(iii.) in the opinion of the Bank, Reference Rate is otherwise no longer appropriate for the purposes of calculating profit under this Agreement.

7. Change in Circumstances

7.1 If at any time it is or will become unlawful or contrary to any law or directive of any agency of any country for the Bank to allow all or part of the Facility to remain outstanding, to make, fund or allow to remain outstanding all or part of the Facility, to carry out all or any of its other obligations under these Terms and/or to charge or receive interest at the rate or rates applicable, then upon the Bank notifying the Borrower of the nature and circumstances thereto:

- (a) the Facility shall be cancelled forthwith; and
- (b) the Borrower shall repay the Secured Obligations on such date as the Bank shall demand together with accrued interest thereon and any other sum then due to the Bank under these Secured Loan Terms.

7.2 If any change in any applicable law, regulations or official requirements in Bahrain or India or under any applicable law will subject the Bank to any tax, deduction, or withholding of any nature, with respect to these Secured Loan Terms or the Facility, the Bank shall notify the Borrower and the Borrower shall pay to the Bank on demand, such amount as will compensate the Bank for any additional costs which the Bank will have to incur in making, maintaining or funding the Facility or any loss suffered by the Bank as a result of any reduction in the amount of payment received by the Bank hereunder.

8. Representations, Covenants and Disclaimers

8.1 The Borrower hereby represents and warrants to the benefit of the Bank as follows:

(a) the Borrower is not a resident of any country wherein the investment / purchase by/ sale to the Borrower of the Notes/ deposit(s) is prohibited and in cases where the Borrower is a resident of a country wherein the investment/ purchase by/ sale to the Borrower of the Notes/ deposit(s) is permitted only under certain conditions, all such conditions have been fully satisfied and will remain satisfied for the tenor of the Facility;

(b) all necessary consents have been and will be obtained by and all necessary action has been or will be taken by the Borrower or other party, for the execution and delivery of the Application, the Pledge Document, any security document and such other documents required to be executed and delivered for the purpose of the Facility, and they constitute legal, valid and binding obligations of the Borrower or other parties to such documents thereto, enforceable in accordance with their respective terms;

- (c) no steps have been taken or are being taken to appoint a receiver over the Borrower's or any third party pledger's assets and no circumstances exist for the presentation of a bankruptcy or winding-up petition against the Borrower or any third party pledger;
- (d) the Borrower is not in breach of any agreement to which it is a party, which has or could have a material adverse effect on the financial position of the Borrower;
- (e) no Event of Default has occurred and is continuing and no event has occurred, which with the giving of notice and/ or the lapse of time might constitute any Event of Default;
- (f) that the indebtedness of the Borrower now or hereafter incurred to other financial institutions or any other person shall be subordinated to the Borrower's Secured Obligations;
- (g) (where the Borrower is a company) that the Borrower is a company duly incorporated and validly existing under the laws of its country of incorporation, and it will maintain its corporate existence as mentioned above;
- (h) (where the Borrower is a company) that the Borrower has full power, authority and legal right to carry on the business currently carried on by it and/or to carry on the business, which it proposes to conduct, to own assets, to assume civil liability and to borrow moneys;
- (i) that the Borrower has full power, authority and legal right to enter into, exercise its rights and perform its obligations under any document relating to the Facility to which it is a party;
- (j) (where the Borrower is a company) that the certified copies of the Memorandum and Articles of Association or other constitutive documents of the Borrower delivered to the Bank are true and correct, complete, accurate, and are updated copies of its corporate documents and records;
- (k) (where the Borrower is a company) that the financial statements and audited financial statements of the Borrower which are required to be submitted within thirty (30) days of issue and which have been submitted to the Bank are complete, correct and give a true and fair view of the financial condition, business and operations of the Borrower for the period stated, have been prepared in accordance with applicable laws, regulations and generally accepted accounting practices and principles consistently applied in the country of incorporation of the Borrower;
- (l) that the Borrower has no indebtedness to any party, except indebtedness arising in the ordinary course of business;
- (m) that the financial condition, business and operations of the Borrower are such that it is able to fully and effectively perform all of its obligations under the documents relating to the

Facility to which it is a party, and (where the Borrower is a company) there has been no material adverse change in the financial condition, business and operations since the date of the latest available audited financial statements;

(n) save to the extent disclosed to the Bank, that it is not necessary that the documents relating to the Facility to which it or any other third party is a party be filed, recorded, registered or enrolled with any court or other authority in the Kingdom of Bahrain or elsewhere, or that any stamp, registration or similar tax be paid on or in relation to any document relating to the Facility;

(o) that the statements, documents and information supplied by the Borrower to the Bank (if any and from time to time) concerning itself, its accounts, its assets, properties and undertakings, its business or operations (including any cash flow or other projections, appraisals, reports and forecasts) and all related matters required under the documents relating to the Facility are to the knowledge of the Borrower:

- (i) true and correct in all material respects;
- (ii) do not contain any wrong statement of fact or omit to state any material fact; (iii) were made after due and careful consideration on its part or on the part of its agents;
- (iv) are based on the best information available to the Borrower; and
- (v) are, in the opinion of the Borrower, fair and reasonable in the circumstances prevailing at the time when such projections, appraisals, reports or forecasts were made in the light of the assumptions made.

Further, the Borrower is not aware of any fact or circumstances, which if disclosed, might have a material effect on any such assumptions, or which might necessitate a material revision to any such projections, appraisals, reports or forecasts, or which might adversely affect the Bank's decision on whether or not to make the Facility available to it or to maintain the Facility;

(p) that no Event of Default or any potential Event of Default has occurred, or is anticipated or will occur as a result of the Borrower being made a party to any document, in relation to the Facility, or the Borrower performing its rights and obligations under the Facility, and that the Borrower is not in breach of or in default under any agreement or document to which it is a party or under any law, statute, regulation, indenture, mortgage, trust deed, or other instrument, arrangement, obligation or duty by which it is legally bound or in the payment or performance of any of its obligations for borrowed moneys;

(q) that the Borrower and its assets are not entitled to immunity from any suit, execution, attachment or other legal process and its entry into any document in relation to the Facility to which it is a party constitutes and the exercise of its rights and performance of and compliance with its obligations will constitute, private and commercial acts done and performed for private and commercial purposes;

(r) (where the Borrower is a company) that no steps have been taken by the Borrower or its shareholders, nor have any legal proceedings been started or threatened, for its dissolution or winding-up or for the appointment of a receiver, trustee, judicial manager, liquidator (provisional or otherwise) or similar officer in respect of the Borrower, and/or its assets; and

(s) that no steps have been taken to render the Borrower bankrupt, nor have any legal proceedings been started or threatened, for the appointment of a receiver, trustee or similar officer in respect of the assets of the Borrower;

Each of the representations and warranties above shall survive and continue to have full force and effect and will be true and correct and fully observed, as if repeated on each day with reference to the circumstances then existing (except that any reference to any accounts delivered by the Borrower to the Bank, shall be construed as a reference to the Borrower's then latest available annual accounts), until all the Secured Obligations have been fully discharged and no moneys remain to be lent under the Facility.

8.2 The Borrower hereby undertakes and covenants with the Bank as follows:

(a) that the indebtedness of the Borrower now or hereafter incurred to other financial institutions or any other person shall be subordinated to the Borrower's Secured Obligations to the Bank hereunder;

(b) the Borrower undertakes to issue such notices, instruments or correspondence from time to time required by the Bank and shall procure the acknowledgement to the same (if any), both in form and substance satisfactory to the Bank;

(c) that the Borrower will not (whether by any act or by any omission) assign or transfer the Facility, and that the Borrower will not, and the Borrower undertakes to procure that the relevant third party pledger will not, assign, transfer or create any encumbrances over (save for the security interest in favour of the Bank for the Facility) the Call Deposit Account, the Notes and other securities assigned charged or mortgaged to the Bank as security for the Facility to any third party; and

(d) the Borrower undertakes to and undertakes to procure that the third party pledger (where applicable) deposit with the Bank or such other branch as it may direct, as the case may be, all the certificate(s) or other relevant documents for the Notes.

8.3 The Borrower acknowledges and agrees that:

(a) the Bank shall not be under any duty to give advice or make recommendations and even if the Bank offers any information or suggestion, it shall not be responsible for the Borrower's investment in the Notes;

(b) the Bank has not made any representation, warranty or guarantee as to, and is not and shall not be responsible for, the accuracy or completeness of, or the Borrower's reliance upon, any recommendation or information that the Bank or its affiliates/representatives may make in relation to the Borrower's investment in the Notes;

(c) the Bank or its affiliates/representatives may have a position in the Borrower's investments and the market position of the Bank or its affiliates/representatives may or may not be consistent with any recommendation or information that may be provided to the Borrower by the Bank;

(d) the Borrower shall be deemed to have made his own judgment and independent assessment of the investment risks involved in connection with the Notes and to have obtained independent advice from legal, financial and investment advisers and the Bank does not hold itself or any of its affiliates/representatives out as acting in any advisory capacity to the Borrower in relation to any such investment or transaction. The Borrower expressly acknowledges that the Bank has not guaranteed or assured the Borrower of any return on his investment in the Notes; and

(e) any risks associated with and any loss suffered as a result of the Bank entering into any transaction or investment on the Borrower's behalf, including foreign exchange risks, shall be for the Borrower's sole risk and account.

9. Events of Default

The Secured Obligations shall become immediately due and payable, without any demand or notice of any kind all of which are expressly waived upon the occurrence of any one or more of the following events ("Events of Default"):

(a) if the Borrower or any third party pledger fails to pay any amount whether of principal or interest or other amounts due in respect of the Facility on its due date or on demand by the Bank;

(b) if legal proceeding suit or action of any kind whatsoever (whether criminal or civil) shall be instituted against the Borrower or any third party pledger;

c) if the Borrower shall suffer any distress or execution proceedings to be levied on the property of the Borrower or any third party pledger (where relevant);

(d) if the Borrower shall commit or threaten to commit a breach of any of the terms, stipulations and undertakings herein;

(e) if the Borrower or any third party pledger (where relevant) shall make any assignments for the benefit of the Borrower or such third party pledger or enter into any agreement or

arrangement with the Borrower's or such third party pledger's creditors by way of composition or otherwise;

(f) if the Borrower or any third party pledger (where relevant) shall become insolvent, bankrupt or die or if any action for the Borrower's bankruptcy, dissolution or winding-up is taken;

(g) if in the sole opinion of the Bank there has been a material change in the circumstances or financial position of the Borrower, any third party pledger or the issuer of the Notes which affects the Borrower's ability to repay the Secured Obligations;

(h) if any other indebtedness of the Borrower or any third party pledger due to the Bank shall not be paid on the due date;

(i) the Borrower or any third party pledger fails to comply with any request of the Bank to deposit Additional Amounts in accordance with these Terms;

(j) if any present or future security on or over the Borrower's or any third party pledger's assets becomes enforceable;

(k) if the Borrower shall be in breach of any representations or warranties herein or default in the due performance of any covenants or obligations hereunder;

(l) if there is a material deterioration in the value of any security afforded to the Bank or if there should occur any event that may prejudice any security afforded to the Bank or the security interests thereon in favour of the Bank or if there is any breach or default of any of the representations, warranties, undertakings, covenants or other terms of any of the security document in relation thereto (each as determined by the Bank in its sole discretion);

(m) in the event the issuer of the Notes is unable to satisfy its liability or is in breach of any of the representations, warranties, covenants, terms and other conditions under or in connection with the Notes and/ or the relevant agreements/documents thereunder;

(n) the failure by the Borrower to keep or perform any of the terms of the Facility or any other agreement between the Bank and the Borrower;

(o) or, if it had been made on any later date by reference to the circumstances then existing, would have been incorrect in any respect on that later date;

(p) if any of the third party pledger may not or may be unable to perform or comply with any one or more of their obligations to the Bank if and when called upon to do so;

(q) any deterioration or impairment (in the Bank's opinion) of any security granted under the Facility or referred to therein or under any other agreement or arrangement between the Bank and the Borrower or the Bank and any third party pledger or any part thereof or any decline or depreciation (in the Bank's opinion) in the value or market price thereof (whether actual or reasonably anticipated);

(r) there is a shortfall in the security margin for the Facility with the Bank and/or that any collateral or security given to the Bank to secure the Borrower's indebtedness to the Bank may or may likely be in danger of being seriously prejudiced, jeopardised and/or eroded or devalued in any manner whatsoever; or

(s) if the issuer or manager of the Pledged Property under the Pledge Document is unable to satisfy its liability for any reason whatsoever, including but not limited to its bankruptcy, insolvency, sovereign moratorium on repatriation of foreign currency, loss of certificates relating to the Pledged Property or if any event occurs which (in the Bank's opinion), might adversely affect the Borrower's or the third party pledger's ability to meet their respective obligations to the Bank under these Terms or those relating to the Facility.

Upon the occurrence of any Event of Default, the Secured Obligations shall immediately become due and payable to the Bank, without any demand or notice which is hereby expressly waived by the Borrower and the Bank shall forthwith cancel the Facility and be entitled to enforce its rights with respect to the Facility without further notice to the Borrower and apply any credit balance standing to any account of the Borrower with the Bank in Bahrain or anywhere in the world in whatever currency towards the whole or partial satisfaction of the Secured Obligations.

10. Disclosure of information

The Borrower agrees that the Bank may provide any person(s) proposing to give a guarantee or third party security in connection with the Facility with the following:

(a) a copy of the Facility Confirmation Advice and any other document in connection with the Facility;

(b) a copy of any formal demand for overdue payment that is sent to the Borrower upon failure to settle the overdue amount; and

(c) if so requested, a copy of the latest statement of account provided to the Borrower in connection with the Facility (if any).

The Borrower further agrees that data relating to him (including data provided to the Bank in the course of applying for the Facilities) may be passed on to a credit reference agency or

commercial credit reference agency (as the case may be) or, in the event of default, to a debt collection agency.

In the event of any default in repayment by the Borrower, unless the amount in default is fully repaid before the expiry of sixty (60) days from the date such a default occurred, data relating to the Borrower may be retained by the relevant credit reference agency for up to five (5) years from the date of final settlement of the amount in default.

11. Interest

All interest on the Facility shall be charged and payable at the respective rates provided under the Application and Facility Confirmation Advice up to the date of full payment of the amounts due, or the due date thereof, whichever is later. Any interest rate, margin and/ or interest rate benchmark may be varied by the Bank during the duration of the Facility by prior notice. Notwithstanding the foregoing, the notice requirement shall not apply to variation in the Bank's Prime rate and any interest rate variation arising from the variation of the Bank's Prime rate. The Bank shall be entitled at any time to vary the Bank's Prime rate without prior notice.

12. Other Fees

The Borrower shall pay:

(a) all taxes, stamp duties, registration fees, legal fees, administrative fees, and out-of-pocket expenses incurred by the Bank in connection with the Facility and the preparation, execution, registration of the security documents, and perfection of any security in connection therewith, and all other documents required by the Bank in relation to the Facility at such time deemed appropriate by the Bank; and

(b) all legal fees (including other incidental charges) as between solicitor and client on an indemnity basis and all other costs and disbursements, in connection with demanding and enforcing payment of moneys due and owing to the Bank under or in connection with the Facility. Any such fees and expenses, governmental or statutory levies and taxes and any other costs, charges, expenses and payments due and unpaid by the Borrower may be met by the Bank at its discretion; and all moneys so paid by the Bank shall be added to the Facility and bear interest at the rate applicable to the Facility or such other rate or rates as may from time to time be determined by the Bank and may be debited from the account of the Borrower current or otherwise with the Bank.

13. The Borrower shall entirely at his or their own expense, immediately on written demand by the Bank, make, execute, do and perform, or cause to be made, executed, done and performed all such further acts, agreements, assignments, assurances, deeds, documents, mortgages and instruments of whatsoever nature as the Bank shall reasonably require to

perfect the security afforded or created or intended to be afforded or created for the Facility.

14. Unless otherwise agreed, any notice or other communication to the Borrower may be delivered to the Borrower personally or sent by post, telex or fax or (if the Borrower consents) electronic means at the mailing address, telex or fax number or e-mail address given in the relevant account opening form of the Bank signed by the Borrower or the Application signed by the Borrower or as last notified in writing to the Bank and shall be deemed to have been received by the Borrower two (2) days after dispatch if sent by post to an address in Bahrain, or seven (7) days after dispatch if sent by post to an address outside Bahrain, or immediately upon completion of transmission if sent by fax or telex or electronic means and immediately upon delivery if delivered personally whether or not the Borrower in fact receives such transmission.

The Borrower shall notify the Bank immediately of any change of address or other information previously provided to the Bank by the Borrower, and deliver to the Bank the relevant documents detailing such changes. Specifically, the Borrower shall immediately notify the Bank in case of any change of their residency (including without limitation any change in residency whereby they become residents of Bahrain).

Any writ, summons or other process may be served on the Borrower, by mailing the same to the Borrower, in accordance with these Terms and shall be deemed to be good service on the Borrower. The foregoing shall not however preclude the Bank from effecting service of process in any other manner permitted by law.

15. Right to Debit Accounts

The Bank shall have the right (but not the obligation) at any time and without prior notice to the Borrower to debit the Borrower's account, with interest charges, fees, expenses, normal bank charges, costs, expenses and other taxes and levies, overdue instalment payments, and all other monies whatsoever due and owing from the Borrower to the Bank. If such debiting causes the Borrower's account to be overdrawn or further overdrawn (as the case may be), interest at the Bank's prescribed rate shall be payable on the amount overdrawn or further overdrawn (as the case may be) at the overdue interest rate calculated on a daily basis based on a <365>-day year.

16. Foreign Currency

16.1 The Borrower will obtain all necessary approvals for any foreign currency transaction and agrees that the Bank's performance of its obligations is at all times subject to compliance in such manner as the Bank may think fit with any exchange control or other restrictions or rules for the time being in force.

16.2 Any amount received or recovered by the Bank, with respect to any sum expressed to be due to it from the Borrower under or in connection with the Facility or other indebtedness in a currency (such currency being referred to as the "Relevant Currency" other than the currency in which that sum is expressed to be due (such currency being referred to as the "Currency of Account") (whether as a result of, or the enforcement of, a judgment or order of a court of any jurisdiction or (where the Borrower is a company) in the Borrower's dissolution or otherwise) shall only constitute a discharge to the Borrower to the extent of the amount in the Currency of Account which the Bank is able, in accordance with its usual practice, to purchase with the Relevant Currency so received or recovered on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

16.3 If that amount in the Currency of Account purchased with the Relevant Currency is less than the amount of the Currency of Account expressed to be due to the Bank, the Borrower shall indemnify the Bank against any loss sustained by it as a result thereof. In any event, the Borrower shall indemnify the Bank against the cost of making any such purchase. For the purpose of this clause <16>, it shall be sufficient for the Bank to demonstrate that it would have suffered a loss had an actual exchange or purchase been made. These indemnities constitute a separate and independent obligation from the other obligations contained in these Terms, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by the Bank and shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under these Terms, any judgment or order. No proof or evidence of any actual loss may be required.

17. Further Assurance

The Borrower shall (and shall procure any third party pledger to), entirely at its own expense, immediately on written demand by the Bank make, execute, do and perform, or cause to be made, executed, done and performed all such further acts, agreements, assignments, assurances, deeds, documents, mortgages and instruments of whatsoever nature as the Bank shall reasonably require to perfect any security afforded or created or intended to be afforded or created by the Borrower or any such third party pledger for the Facility.
