

## TERMS AND CONDITIONS OF THE SUBORDINATED BONDS\*

The Ringgit Six Hundred Million (RM600,000,000.00) in aggregate nominal value four percent (4%) per annum subordinated bonds due on 15 August 2022 (the "**Subordinated Bonds**") are constituted by a trust deed dated 9 August 2012 (the "**Trust Deed**") made between the Issuer and Malaysian Trustees Berhad (Company No.21666-V) (the "**Trustee**") as trustee for the holders of the Subordinated Bond (the "**Bondholders**"). The Issuer has executed a Securities Lodgement Form (the "**Securities Lodgement Form**") dated 9 August 2012 with the Trustee and OCBC Bank (Malaysia) Berhad (Company No. 295400-W) as lead arranger and the facility agent to appoint BNM as the central depository and paying agent (the "**Central Depository**" and the "**Paying Agent**"). The statements in these terms and conditions of the Subordinated Bonds (the "**Conditions**") include summaries of and are subject to the detailed provisions of the Trust Deed. Copies of the Trust Deed and the Securities Lodgement Form are available for inspection by Bondholders at the business office of the Trustee being at the date hereof at 9 August 2012.

Subject to the provisions of the Trust Deed, the Bondholders are entitled to the benefit of the Trust Deed and are bound by and are deemed to have notice of all the provisions of the Trust Deed and the Central Securities Depository and Paying Agency Rules applicable to them.

Terms and conditions defined in the Trust Deed when used herein shall bear the same meaning.

### 1 STATUS

#### 1.1. Subordination

The Subordinated Bonds constitute direct, subordinated and unsecured obligations of the Issuer and shall at all times, rank *pari passu* and rateably, without discrimination, preference or priority amongst themselves. The Subordinated Bonds are subordinated and rank after the claims of all depositors and other creditors of the Issuer (including all depositors and creditors of the head office and all other offices of the Issuer wherever located), except for present and future unsecured and subordinated claims of creditors of the Issuer which by their terms rank *pari passu* in right of and priority of payment with or subordinated to the Subordinated Bonds. Upon occurrence of any winding up proceedings, the rights of the Bondholders to payments on the Subordinated Bonds will, in the event of a distribution of assets in the winding-up or liquidation of the Issuer, be subordinated and subject in right of payment to the prior payment in full of all to the claims of Senior Creditors and will rank senior to the share capital and Tier 1 Capital Instruments of the Issuer. The Subordinated Bonds will rank *pari passu* with all present and future subordinated debt and/or other subordinated Syariah compliant financing instruments issued by the Issuer, which are approved as qualifying as Tier 2 Capital of the Issuer pursuant to the requirements of BNM.

---

\* As extracted from the Trust Deed

## 1.2. Waiver of Set-Off

No Bondholders may exercise, claim or plead any right of set-off, counter-claim, deduction, withholding or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Subordinated Bonds, and no Bondholders shall set-off, deduct, withhold or retain any amount owing by it to the Issuer against any amount owing to it by the Issuer under the Subordinated Bonds. Each Bondholder, by his acceptance of the Subordinated Bonds, shall be deemed to have waived all such rights of set-off, counter-claim, deduction, withholding or retention to the fullest extent permitted by law. If at any time any Bondholders receives payment or benefit of any sum in respect of the Subordinated Bonds as a result of the exercise or carrying into effect of any such set-off, counterclaim, deduction, withholding or retention (whether or not such exercise or carrying into effect is mandatory under applicable law), or if at any time any Bondholders receives payment or benefit of any sum in respect of the Subordinated Bonds other than in accordance with Clauses 11 and 12 of the Trust Deed, 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 Bondholders, by acceptance of any Subordinated Bonds, shall agree as a separate and independent obligation that any such sum or benefit so received shall be paid or returned by such Bondholders to the Issuer upon demand by the Issuer or, in the event of the winding-up of the Issuer, the liquidator of the Issuer, whether or not such payment or receipt shall have been deemed void hereunder. Any sum so paid or returned shall then be treated for purposes of the Issuer's obligations as if it had not been paid by the Issuer, and its original payment or the original benefit previously received by the relevant Bondholders as a result of any such set-off, counterclaim, deduction, withholding or retention shall be deemed not to have discharged any of the obligations of the Issuer under the Subordinated Bonds.

## 2 FORM, DENOMINATION AND TITLE

- 2.1 Subject to the Code of Conduct, the Subordinated Bonds will be represented by a Global Certificate in bearer form, which shall be deposited with the Central Depository.
- 2.2 The Subordinated Bonds shall be issued in denominations of Ringgit One Million (RM1,000,000.00) nominal value and in multiples thereof at the time of issuance and shall be transferable in accordance with Condition 3 below. Where Definitive Certificates are issued, the Subordinated Bonds shall be transferable by instrument of transfer in any usual or common form or such other form as may be approved by the Directors of the Issuer.
- 2.3
  - (a) If any Certificate is worn out or defaced, then upon production thereof to the Issuer, the Issuer may require the same to be cancelled and may issue a new Certificate in lieu thereof. For every new Certificate so issued there shall be paid to the Issuer the amount of all taxes and duties and out of pocket expenses payable on or in connection with the issue thereof together with a further fee not exceeding such maximum sum as may be prescribed, from time to time, by any applicable law or regulation or relevant authorities as the Issuer may determine.
  - (b) Subject to the provisions of the Companies Act, if any Certificate is lost or destroyed or stolen then upon proof thereof to the satisfaction of the Issuer and on such indemnity as the Issuer deems adequate being given, and on the payment of the amount of all taxes and duties and out of pocket expenses payable on or in connection with the issue thereof together with a further fee not

exceeding such maximum sum as may be prescribed, from time to time, by any applicable law or regulation or relevant authorities as the Issuer may determine, a new Certificate shall be issued in replacement of such lost or destroyed or stolen Certificate.

- 2.4 If the Trustee shall in its opinion consider that the Central Depository is unable to perform its obligations as authorised depository, or fails to properly record transfers of beneficial interests in the Subordinated Bonds or if the Trustee and the Issuer shall agree that the Global Certificate be cancelled and replaced with Definitive Certificates or if directed by a Special Resolution citing such other event specified in the Code of Conduct which compels the issuance of Definitive Certificates, the Issuer shall upon receipt of written notice from the Trustee or passing of the said Special Resolution, as the case may be, and as soon as reasonably practicable, issue Definitive Certificates in respect of the Subordinated Bonds, subject to BNM and other applicable regulatory approvals.

### **3 TRANSFERS**

- 3.1 Transfers of interests in the Subordinated Bonds will be effected through records maintained by the Central Depository in accordance with the Depository Procedures. The Central Depository will credit the respective nominal value of the Bondholder's beneficial interest to the account of such Bondholder in accordance with the Depository Procedures. Transfers of such interests will be subject to compliance by the transferor and transferee with the Depository Procedures and the Central Securities Depository and Paying Agency Rules and compliance with the Selling Restrictions of the Subordinated Bonds.

### **4 PLACE AND MODE OF PAYMENTS**

- 4.1 All payments in respect of the Global Certificate will be made in Ringgit in accordance with the Depository Procedures or in such manner as the Paying Agent and the ADI may agree.

### **5 APPLICATION OF PROCEEDS**

- 5.1 Under the Trust Deed, the Trustee is required to apply all moneys received under the Trust Deed and the Issue Documents consequent upon the Subordinated Bonds becoming repayable for the purposes and in the order as set out in Clause 12 of the Trust Deed, despite any appropriation of all or part of them by the Issuer.

### **6 COUPON**

- 6.1 The Issuer hereby covenants that from (and including) the Issue Date up to (but excluding) the date of early redemption or the Maturity Date (whichever is the earlier), the Issuer will pay to the Bondholders coupon on each Subordinated Bond at the Coupon Rate.
- 6.2 The first coupon payment shall be made on the date falling six (6) months after the Issue Date. The first coupon payment shall be calculated for the period commencing from the Issue Date up to the aforesaid date of first coupon payment (inclusive of the

date of commencement, but excluding the date of expiry). Thereafter, coupon calculated for each subsequent six (6) month period (inclusive of the date of commencement, but excluding the date of expiry) shall be payable semi-annually in arrears. The date of expiry of each six (6) month period commencing from the Issue Date shall be known as the "Coupon Payment Date" and the final Coupon Payment Date shall be the Maturity Date or such other date determined in accordance with Condition 6.3 below. If any Coupon Payment Date would otherwise fall on a day which is not a Business Day, the date on which payment shall be made shall be determined in accordance with the RENTAS Rules. All coupon payments shall be calculated based on the Outstanding Nominal Value of the Subordinated Bonds as at the day immediately preceding the Coupon Payment Date.

- 6.3 Subject always to Condition 6.2 above, the last payment of coupon shall be made on the Maturity Date calculated for the period commencing from (and including) the previous Coupon Payment Date up to (but excluding) the Maturity Date, or, in the event that such Subordinated Bond shall have been redeemed or otherwise satisfied by the Issuer, as the case may be, prior to the Maturity Date, up to (but excluding) the date of redemption or satisfaction, as the case may be, of such Subordinated Bond.
- 6.4 Every payment by the Issuer to the Bondholders in respect of the coupon shall be in satisfaction *pro tanto* of the covenant by the Issuer contained in this Condition and the obligations and liabilities of the Issuer with regard to that coupon payment.

## **7 CANCELLATION AND REDEMPTION**

### **7.1 Cancellation**

7.1.1 All Subordinated Bonds redeemed by the Issuer in accordance with this Condition shall be immediately cancelled and thereafter will not be available for resale or reissue. The Issuer shall issue confirmation in writing to the Trustee of:

- (i) the amounts paid in respect of any Subordinated Bonds that have been redeemed and cancelled;
- (ii) the aggregate nominal amount and certificate numbers of those Subordinated Bonds which have been redeemed and cancelled; and that
- (iii) such Subordinated Bonds have been cancelled,

as soon as reasonably possible (and in any event within one month) after the end of each calendar quarter during which any such redemption and surrender for cancellation, takes place.

7.1.2 Where Definitive Certificates are issued, the Bondholders shall be bound, against payment by the Issuer of the appropriate redemption moneys, to deliver to the Issuer the Definitive Certificates at such time and place as may be notified to them. The Issuer shall be entitled in the case of any redemption in full, to cancel the Definitive Certificates of the Bondholders concerned.

### **7.2 Redemption on Maturity Date**

Unless previously redeemed, the Subordinated Bonds will be redeemed in full on the Maturity Date.

### 7.3 Early Redemption

At the option of the Issuer but subject always to the prior written approval of BNM and MAS (if applicable), the Issuer shall be entitled, by giving fourteen (14) days' notice to the Trustee in accordance with Clause 31 of the Trust Deed, to redeem all (and not a part only) of the Subordinated Bonds on any Call Date at the Outstanding Nominal Value of the Subordinated Bonds together with all accrued but unpaid coupon (if any).

### 7.4 Regulatory Event Redemption

If, as a result of:

- (a) a change or a proposed change to the relevant requirements issued by BNM in relation to the qualification of the Subordinated Bonds as Tier 2 Capital of the Issuer or the relevant requirements issued by MAS in relation to the qualification of the Subordinated Bonds as Lower Tier 2 Capital of OCBC Bank on a consolidated basis respectively; or
- (b) any change in the application of the official or generally published interpretation of such relevant requirements issued by BNM, MAS or any relevant authority, including a ruling or notice issued by the BNM, MAS or any relevant authority; or
- (c) any interpretation or pronouncement by BNM, MAS or any relevant authority that provides for a position with respect to such relevant requirements issued by BNM or MAS, as the case may be, that differs from the previously generally accepted position in relation to similar transactions or which differs from any specific written statements made by any authority regarding the qualification of the Subordinated Bonds as Tier 2 Capital of the Issuer or as Lower Tier 2 Capital of OCBC Bank on a consolidated basis,

which change or amendment,

- (i) subject to (ii), below, becomes, or would become, effective on or after the Issue Date; or
- (ii) in the case of a change or proposed change in the relevant requirements issued by BNM or MAS, if such change is issued or is expected to be issued by BNM or MAS, on or after the Issue Date,

(each, a "**Regulatory Event**"),

the Subordinated Bonds would not qualify as Tier 2 Capital of the Issuer or as Lower Tier 2 Capital of OCBC Bank on a consolidated basis, as the case may be, subject always to the prior written approval of BNM and MAS, the Issuer shall be entitled, to redeem all (and not a part only) of the Subordinated Bonds on any Coupon Payment Date but prior to the Maturity Date, at the Outstanding Nominal Value of the Subordinated Bonds together with all accrued but unpaid coupon (if any) by giving prior written notice of such intent (such notice to be of a period of not less than thirty (30) days but not more than sixty (60) days (the "**Notice Period**")) to the Trustee in accordance with Clause 31 hereof, the Paying Agent and the Bondholders. Any such notice of redemption issued by the Issuer shall be irrevocable.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Trustee a certificate signed by an authorised officer of the

Issuer stating that a Regulatory Event has occurred and the Trustee shall, for an on behalf of the Bondholders, accept such certificate without any further inquiry as sufficient evidence of the satisfaction of the conditions set out above without liability to any person, in which event, it shall be conclusive and binding on the Bondholders. At the end of the notice period, the Issuer shall redeem the Subordinated Bonds in accordance with this Condition.

## **8 EVENTS OF DEFAULT**

8.1 The occurrence of any of the following events shall constitute an Event of Default:-

- (a) the Issuer defaults in the payment of any money owing in respect of the Subordinated Bonds (whether principal or coupon payment) when the same shall become due and payable in accordance with these presents and such default continues for at least seven (7) Business Days; or
- (b) a court order is made or an effective resolution is passed for the winding-up of the Issuer.

8.2 Upon the occurrence of:-

- (a) an Event of Default described in Condition 8.1(a), the Trustee's sole remedy shall be to institute proceedings in Malaysia for the winding-up of the Issuer Provided That neither the Trustee nor any of the Bondholders shall have the right to enforce payment under or to accelerate payment of the Subordinated Bonds upon the occurrence of the Event of Default described in Condition 8.1(a) or any default by the Issuer in the performance of any condition, provision or covenant under the Subordinated Bonds, this Trust Deed or the Issue Documents.
- (b) an Event of Default described in Condition 8.1(b), subject to the terms of this Trust Deed, the Trustee may by written notice to the Issuer declare that the Subordinated Bonds shall immediately become due and payable at their respective outstanding Nominal Value together with accrued but unpaid coupon (if any), whereupon the same shall, immediately or in accordance with the terms of such notice, become so due and payable notwithstanding the stated maturity of the Subordinated Bonds.

For the avoidance of doubt:

- (a) the occurrence of an Event of Default shall not prejudice the subordination provided in Condition 1.1 hereof; and
- (b) save as provided in Condition 8.1, the Trustee or any Bondholder shall not be entitled to accelerate any payment under the Subordinated Bonds as a result of any default by the Issuer in the performance or observance of any covenant, condition or provision contained in the Subordinated Bonds or the Trust Deed or any of the Issue Documents.

## **9 PRESCRIPTION**

- 9.1 Claims for any money due and payable in respect of the Subordinated Bonds (whether in respect of the nominal value, or otherwise) will become void unless made within six (6) years from the relevant due date for payment in respect thereof.

## **10 REMEDY FOR DEFAULT**

- 10.1 The Trustee, subject to Condition 10.2 below, shall enforce all payment obligations under the Subordinated Bonds only by way of petitioning for the winding up or dissolution of the Issuer and/or by proving for the amount due and payable under the Subordinated Bonds in the liquidation or administration of the Issuer.

For the avoidance of doubt:

- (a) in the event that the Subordinated Bonds are not redeemed (i) on or prior to the Maturity Date; or (ii) when the same are due and payable, the Subordinated Bonds shall only be repaid pursuant to the winding-up or the liquidation of the Issuer and the claims of the Bondholders herein shall in the winding up or the liquidation of the Issuer be subordinated in right and priority of payment to all claims of depositors and all other creditors of the Issuer except for the claims of the shareholders (in their capacity as shareholders) of the Issuer and claims in respect of liabilities which by their terms rank pari passu in right and priority of payment with, or are expressed to be subordinated to, the Subordinated Bonds; and
- (b) in the event of default by the Issuer in the performance or observance of any covenant, condition or provision contained in the Subordinated Bonds or the Trust Deed or any of the Issue Documents (save for failure to pay any amount of principal, coupon or expenses or in respect of any other payment obligation), (i) the Trustee or any Bondholder shall not be entitled to any remedy available to the Trustee or any Bondholder which in substance amounts to a remedy to recover any amounts under any payment obligation of the Issuer under the Subordinated Bonds and (ii) any other remedy available (including damages) shall be subject to the subordination provided in Condition 1.1 hereof.
- 10.2 The Trustee shall not be bound to take any step to enforce the rights of the Bondholders against the Issuer in accordance with Conditions 8.2 and 10.1 above (including the declaration of the Event of Default) unless it has been directed to do so by a Special Resolution and unless it has been fully indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs (including legal costs on a solicitor and client basis), charges, damages and expenses which it may incur by so doing.
- 10.3 Only the Trustee may pursue the rights and remedies available under Condition 10.1 hereof to enforce the rights of the Bondholders against the Issuer and no Bondholder shall be entitled to pursue such remedies against the Issuer unless the Trustee, having become bound to do so in accordance with the terms of this Trust Deed, fails to do so after the expiry of fourteen (14) days from the date of the Trustee having become bound to do so.

## **11 TAXATION**

- 11.1 All payments made under the Subordinated Bonds shall be made subject to withholding or deductions which may be required by law on account of any present or future tax assessed by or within Malaysia by any authority therein having such power to tax. For the avoidance of doubt, the Issuer shall not be required to pay such additional amounts as will result in receipt by any Bondholder of the amount which would have been received by them had no such withholding or deduction been made.

## **12 MEETINGS**

- 12.1 The Trust Deed contains provisions which are set out in the Third Schedule thereto for convening meetings of Bondholders to consider any matter affecting their interest, including any modification of these Conditions and the provisions of the Trust Deed applicable thereto.

## **13 NOTICES**

- 13.1 The Issuer and every Bondholder shall be entitled to receive notice (specifying the day, time, place and agenda for the meetings) of all meetings of the Bondholders.
- 13.2 All documents to Bondholders will be sent by post whereas notices to Bondholders may be given:-
- (a) by advertisements published in national daily newspapers in English and circulating generally throughout Malaysia;
  - (b) through any clearing systems through which interest in the Subordinated Bonds are held;
  - (c) by any means allowed under the Code of Conduct; or
  - (d) in such other manner as the Issuer and the Trustee may agree at any time and from time to time.
- 13.3 Any such notice shall be deemed to have been given on the date of such publication under the relevant mode of notification or, if published more than once or on different dates, on the first date on which such publication is made.
- 13.4 All notices and other communications under or in connection with the Trust Deed shall be in the English language or if any other language, accompanied by a translation with the English language. In the event of any conflict between the English text and the text in any other language, the English text shall prevail.

## **14 SELLING RESTRICTIONS**

- 14.1 The following restrictions must be observed by each Bondholder in relation to offers, invitations, sales, transfers, acquisitions or disposals of the Subordinated Bonds as the case may be:



At issuance

The Subordinated Bonds shall not be offered, sold or delivered, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia, other than to persons falling within Schedule 6 (or Section 229(1)(b)), or Schedule 7 (or Section 230(1)(b)), read together with Schedule 9 (or Section 257(3)) of the Act.

After issuance

The Subordinated Bonds shall not be offered, sold or delivered, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia, other than to persons falling within Schedule 6 (or Section 229(1)) read together with Schedule 9 (or Section 257(3)) of the Act.

## 15 SUBROGATION

- 15.1 If a court order is made or an effective resolution is passed for the winding-up of the Issuer (any of the foregoing being "**Winding Up Proceedings**"), payment of the nominal value, coupon, and any additional amounts on the Subordinated Bonds shall be subordinated in right and priority of payment to the prior payment in full of the deposit liabilities of the Issuer and all other liabilities of the Issuer (including all deposit liabilities and other liabilities of the head office and all other offices of the Issuer wherever located), except those liabilities which by their terms rank in right and priority of payment *pari passu* with or subordinate to the Subordinated Bonds. In addition, if BNM were to assume control or possession of the business, affairs and property of the Issuer, payment of nominal value, coupon, and any additional amounts on the Subordinated Bonds shall be subordinated in right and priority of payment to the prior payment in full of deposit liabilities of the Issuer and all other liabilities of the Issuer except those liabilities which by their terms rank in right and priority of payment *pari passu* with or subordinate to the Subordinated Bonds.
- 15.2 The Bondholders shall be deemed to have agreed that if BNM were to assume control or possession or be in control or possession of the business, affairs and property of the Issuer at a time when Winding Up Proceedings shall have occurred and be continuing, then BNM shall be authorised to apply, and shall apply, any amounts that would be due to the Bondholders in the absence of these subordination provisions:-
- (a) first, to the payment in full of all deposit liabilities of the Issuer and all other liabilities of the Issuer (other than the Subordinated Bonds and other obligations of the Issuer ranking in right and priority of payment *pari passu* with or subordinate to the Subordinated Bonds), and to any other claim which are statutorily preferred, the priorities to be ascribed among such claims to be determined in accordance with such laws; and
  - (b) thereafter, to pay any amount remaining to the liquidator or other corresponding officer for the time being in the winding up of the Issuer pursuant to applicable laws of Malaysia or any other applicable law (the "**Liquidator**") to be applied:-
    - (i) first, to the payment in full of the claims of all depositors and other obligations of the Issuer ranking prior in right and priority of payment to the Subordinated Bonds (including interest on such claims accruing after the date of the commencement of such Winding Up Proceedings); and

- (ii) thereafter, to the payment equally and rateably of amounts owing under the Subordinated Bonds and all obligations of the Issuer ranking in right and priority of payment *pari passu* with the Subordinated Bonds.

The Bondholders shall also be deemed to have agreed that if BNM shall assume or be in control or possession of the business, affairs and property of the Issuer at a time when no Winding Up Proceedings shall have occurred and be continuing, BNM shall be authorised to apply, and shall apply, any amounts that would be due to the Bondholders in the absence of these subordination provisions:-

- (I) first, to the payment in full of all deposit liabilities of the Issuer and other obligations of the Issuer (other than the Subordinated Bonds and other obligations of the Issuer ranking in right and priority of payment *pari passu* with or subordinate to the Subordinated Bonds) and to any other claim statutorily preferred under the laws of Malaysia, the priorities to be ascribed among such claims to be determined in accordance with such laws;
- (II) second, to the payment of any amounts then due and owing under the Subordinated Bonds and all obligations ranking in right of payment *pari passu* with the Subordinated Bonds; and
- (III) thereafter, to pay any amount remaining to the Issuer. The Bondholders shall be deemed irrevocably to have authorised and directed the Liquidator to pay directly to the Trustee any amounts that the Liquidator determines are available to be distributed on the Subordinated Bonds, such amounts to be held in trust by the Trustee for the Bondholders.

15.3 In a winding up of the Issuer as aforesaid, subject to the satisfaction in full of the claims of all depositors and other obligations of the Issuer ranking prior in right and priority of payment to the Subordinated Bonds admitted in such winding up, the Bondholders and the Trustee shall be subrogated to the rights of the holders of such claims to receive payments or distributions of cash, property or securities of the Issuer applicable to such prior claims until the nominal value, coupon, and all other amounts payable on the Subordinated Bonds shall be paid in full; and, for the purposes of such subrogation:-

- (a) no payments or distributions to the holders of such prior claims of any cash, property or securities of the Issuer to which the Bondholders or the Trustee on their behalf would be entitled except for the subordination provisions herein contained, and no payment over by the Trustee or the Bondholders, whether directly or through the Liquidator, to or for the benefit of the holders of such prior claims pursuant to the provisions of this Condition 15 shall, as between the Issuer, its creditors other than the holders of such prior claims and the Bondholders, be deemed to be payment by the Issuer to or on account of such prior claims; and
- (b) no payment or distributions of cash, property or securities to or for the benefit of the Bondholders pursuant to the subrogation provision of this Condition 15, which would otherwise have been paid to the holders of prior claims shall be deemed to be a payment by the Issuer to or for the account of the Subordinated Bonds.

Nothing contained herein or elsewhere in the Subordinated Bonds or the Trust Deed is intended to or shall impair, as between the Issuer and the Bondholders, the obligations

of the Issuer, which is absolute and unconditional, to pay to the Bondholders the nominal value, coupon, and all other amounts payable on the Subordinated Bonds as and when the same shall become due and payable in accordance with their terms.

## **16 INDEMNIFICATION OF THE TRUSTEE**

16.1 The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility to the extent therein provided, including provisions relieving it from the obligation to declare the Subordinated Bonds to be due and payable or taking proceedings to enforce repayment unless fully indemnified. The Trust Deed also contains provisions entitling the Trustee to enter into business transactions with the Issuer without accounting to the Bondholders for any profit resulting from such transactions.

## **17 GOVERNING LAW**

17.1 The Subordinated Bonds, the Trust Deed and the other Issue Documents shall be governed by, and construed in all respects in accordance with the laws of Malaysia.

17.2 In relation to any legal action or proceedings arising out of or in connection with the Subordinated Bonds, the Trust Deed and the other Issue Documents (the "**Proceedings**"), the parties irrevocably submit to the exclusive jurisdiction of the Courts of Malaysia, and waive any objection to Proceedings in any such court on the grounds of venue or on the grounds that the Proceedings have been brought in an inconvenient forum.

*[the rest of this page is intentionally left blank]*

## Definitions\*\*

The following expressions have the following meanings:

"Act"	means the Capital Markets and Services Act 2007 and includes any statutory amendment or re-enactment thereof;
"ADI"	means an Authorised Depository Institution as stipulated and recognised pursuant to the Code of Conduct;
"Auditors"	means the auditors for the time being of the Issuer or, in the event of their inability or unwillingness to carry out any action required to be carried out by them pursuant to this Trust Deed, such other firm of accountants as may be nominated by the Issuer and approved by the Trustee for the purpose;
"Authorised Signatory"	means, in relation to the Issuer, a person who is empowered to give or sign any notices, requests, certificates or other communications and documents under or in connection with this Trust Deed, the Subscription Agreement/Letter(s), the Securities Lodgement Form, and all other Issue Documents, and whose authority is evidenced by a resolution of the Directors;
"BAFIA"	means the Banking and Financial Institutions Act, 1989 and includes any statutory amendment or re-enactment thereof;
"BNM"	means BANK NEGARA MALAYSIA, a body corporate established under the Central Bank of Malaysia Act, 1958, of Jalan Dato' Onn, 50480 Kuala Lumpur;
"Bondholders"	means the several persons who are for the time being the beneficial holders of the Subordinated Bonds and a "Bondholder" means each or any of them, provided always that for the purposes of voting, such reference shall not include the Issuer or any related corporation (as defined in section 6 of the Companies Act) of the Issuer (if applicable);
"Business Day"	means subject to the RENTAS Rules, a day (other than Saturday, Sunday and public holidays) on which Financial Institutions are open for general business in Kuala Lumpur;
"Call Date"	means subject to the RENTAS Rules, 15 August 2017 (being the date falling on the fifth (5th) anniversary of the Issue Date) and every Coupon Payment Date thereafter;
"Central Depository"	means BNM, which for the purposes of carrying out its functions, duties and obligations under the Central Securities Depository and Paying Agency Rules as a

---

\*\* As extracted from the Trust Deed.

central securities depository, has appointed MyClear to act as its agent, or, if MyClear ceases to be the central securities depository in accordance with the Central Securities Depository and Paying Agency Rules, such other central depository for the Global Certificate for the time being as may have been appointed as such by the Issuer with the approval of the Trustee;

<b>"Central Securities Depository and Paying Agency Rules"</b>	means the Central Securities Depository and Paying Agency Rules dated 6 May 2012 issued by MyClear, as modified or revised or substituted from time to time;
<b>"Certificate"</b>	means any Global Certificate and/or any Definitive Certificate (as the case may be);
<b>"Code of Conduct"</b>	means, collectively, the IPBM Code of Conduct, the RENTAS Rules and the FAST Rules;
<b>"Companies Act"</b>	means the Companies Act, 1965 of Malaysia, and includes any statutory amendment or re-enactment thereto;
<b>"Coupon Payment Date"</b>	shall have the meaning ascribed to it in Clause 5.2 below;
<b>"Coupon Rate"</b>	means the rate of four percent (4%) per annum;
<b>"Conditions"</b>	means the terms and conditions of issue of the Subordinated Bonds set out in Part III of the First Schedule hereto, as the same may from time to time be modified in accordance with the provisions of these presents and any reference to a specific Condition shall be construed accordingly;
<b>"Consolidated Trust Account"</b>	means the Consolidated Trust Account maintained pursuant to paragraph (c) of Section 7 of the Finance Procedure Act 1957 (Revised 1972);
<b>"Definitive Certificate"</b>	means the definitive certificates representing the Subordinated Bonds in or substantially in the form set out in Part II of the First Schedule hereto, and includes any replacement for such certificates issued pursuant to this Trust Deed;
<b>"Depository Procedures"</b>	means the procedures of the Central Depository for transactions in the Subordinated Bonds and for settlement of all payments to Bondholders as provided in the Central Securities Depository and Paying Agency Rules and the Code of Conduct;
<b>"Directors"</b>	means the directors for the time being of the Issuer;
<b>"Event of Default"</b>	means any of those events specified in Clause 10.1;
<b>"Facility Agent"</b>	Means OCBC BANK (MALAYSIA) BERHAD (Company No. 295400-W), a company incorporated in Malaysia with its registered office at 19th Floor, Menara OCBC, 18 Jalan Tun Perak, 50050 Kuala Lumpur, and includes its successors in title, permitted

	assigns and persons deriving title thereunder;
<b>"FAST"</b>	means the Fully Automated System for Issuing/Tendering operated by BNM;
<b>"FAST Rules"</b>	means the Rules on FAST 2005 issued by BNM and as modified or revised or substituted from time to time by BNM;
<b>"Financial Institutions"</b>	means commercial banks and merchant banks licensed under the BAFIA;
<b>"Further Subordinated Bonds"</b>	means any further subordinated bonds of the Issuer (other than the Subordinated Bonds themselves) issued pursuant to the power reserved to the Issuer by Clause 8.1 whether constituted or to be constituted by a deed supplemental to this Trust Deed or otherwise, or, as the case may be, the amount thereof for the time being outstanding or, as the context may require, a specific portion thereof;
<b>"Global Certificate"</b>	means the global certificate issued in respect of the Subordinated Bonds in or substantially in the form set out in Part I of the First Schedule hereto and includes any replacement for such certificate issued pursuant to this Trust Deed;
<b>"Information Memorandum"</b>	means the information memorandum issued or to be issued by the Issuer in relation to the issuance of the Subordinated Bonds;
<b>"IPBM"</b>	means Institut Peniaga Bon Malaysia, a corporation incorporated in Malaysia, and includes its successors in title and permitted assigns;
<b>"IPBM Code of Conduct"</b>	means the Code of Conduct and Market Practices for the Malaysian Corporate Bond Market issued by IPBM and approved by BNM, as amended or modified or substituted from time to time by IPBM or BNM as the case may be;
<b>"Issuer"</b>	means OCBC BANK (MALAYSIA) BERHAD (Company No. 295400-W), a company incorporated in Malaysia with its registered office at 19th Floor, Menara OCBC, 18 Jalan Tun Perak, 50050 Kuala Lumpur, and includes its successors in title, permitted assigns and persons deriving title thereunder;
<b>"Issue Date"</b>	means 15 August 2012, being the date on which the Subordinated Bonds are issued;
<b>"Issue Documents"</b>	means this Trust Deed, the Subscription Agreement, the Subordinated Bonds and any other documents relating to the Subordinated Bonds;
<b>"Lead Arranger" or "Lead Manager"</b>	means OCBC BANK (MALAYSIA) BERHAD (Company No. 295400-W), a company incorporated in Malaysia with its registered office at 19th Floor, Menara OCBC, 18 Jalan Tun Perak, 50050 Kuala Lumpur, and includes its successors in title, permitted

	assigns and persons deriving title thereunder;
<b>"Lower Tier 2 Capital of OCBC Bank"</b>	means any subordinated debt issued by OCBC Bank or any subsidiary of OCBC Bank that constitutes Lower Tier 2 capital of OCBC Bank on a consolidated basis as approved by MAS (if applicable) as qualifying for Lower Tier 2 capital treatment pursuant to the relevant requirements established by MAS;
<b>"MAS"</b>	means the Monetary Authority of Singapore;
<b>"Maturity Date"</b>	means, subject to the RENTAS Rules, 15 August 2022, being the last day of the tenure of the Subordinated Bonds Provided That:- <ul style="list-style-type: none"> <li>(a) subject to paragraph (b), if the Maturity Date falls on a day which is not a Business Day, payment shall be made on the Business Day immediately preceding the Maturity Date;</li> <li>(b) if the Maturity Date falls on a day which is not a Business Day by virtue of that day being an unscheduled public holiday, payment shall be made on the Business Day falling immediately after the Maturity Date;</li> </ul>
<b>"MyClear"</b>	means Malaysian Electronic Clearing Corporation Sdn. Bhd., a wholly-owned subsidiary of BNM incorporated under the Companies Act, and appointed by BNM, <i>inter alia</i> , to act as its agent in carrying out BNM's functions as a central securities depository and paying agent under the Central Securities Depository and Paying Agency Rules;
<b>"nominal value"</b>	means the amount stated on the face of the Global Certificate or Definitive Certificates (as applicable) for the Subordinated Bonds and payable by the Issuer in respect thereof;
<b>"OCBC Bank"</b>	means Oversea-Chinese Banking Corporation Limited;
<b>"Ordinary Resolution"</b>	means (i) a resolution passed at a meeting of Bondholders duly convened and held in accordance with the provisions contained in these presents and carried by a majority consisting of more than fifty percent (50%) of the persons present and voting thereat upon a show of hands or, if a poll is duly demanded, by a majority consisting of more than fifty percent (50%) of the votes given on such poll; or (ii) a resolution in writing signed by the Bondholders holding more than fifty percent (50%) of the nominal value of outstanding Subordinated Bonds;
<b>"outstanding"</b>	means, in relation to the Subordinated Bonds, all the Subordinated Bonds issued other than (a) those Subordinated Bonds which have been redeemed prior to or on the Maturity Date pursuant to the Conditions or otherwise pursuant to these presents and the redemption moneys wherefor have been duly paid to

the Trustee in accordance with this Trust Deed or to the Paying Agent in the manner provided in the Central Securities Depository and Paying Agency Rules; and (b) those Subordinated Bonds in respect of which claims have been prescribed and are void under Condition 9;

<b>"Outstanding Value"</b>	<b>Nominal</b>	means, at any time, the full nominal value of the Subordinated Bonds less all amounts that have been paid by the Issuer towards redemption thereof;
<b>"Paying Agent"</b>		means BNM, who for the purposes of carrying out its functions duties and obligations under the Central Securities Depository and Paying Agency Rules as a paying agent, has appointed MyClear to act as its agent, or, if MyClear ceases to be the paying agent in accordance with the Central Securities Depository and Paying Agency Rules, such other paying agent for the time being as may have been appointed as such by the Issuer with the approval of the Trustee;
<b>"redemption"</b>		in relation to the Subordinated Bonds, includes repayment of nominal value and the words "redeem", "redeemable" and "redeemed" and "repay", "repayable" and "repaid" shall be construed accordingly;
<b>"RENTAS"</b>		means the scripless book-entry securities trading and funds transfer system known as the Real Time Electronic Transfer of Funds and Securities operated by BNM as varied, upgraded or substituted from time to time;
<b>"RENTAS Rules"</b>		means the Rules on the Scripless Securities under the RENTAS 2006 issued by BNM and as modified or revised or substituted from time to time by BNM;
<b>"RM" and "Ringgit"</b>		means the monetary units in the lawful currency of Malaysia;
<b>"SC"</b>		means the Securities Commission of Malaysia;
<b>"Selling Restrictions"</b>		means the restrictions imposed by the Issuer on any offer for or actual sale, transfer or disposal of the Subordinated Bonds as set out in the Second Schedule hereto;
<b>"Sen" and the sign "¢"</b>		mean monetary units in the lawful currency of Malaysia;
<b>"Senior Creditors"</b>		means creditors of the Issuer (including depositors) other than those creditors whose claims are expressed to rank <i>pari passu</i> with or subordinate to the claims of the holders of the Subordinated Bonds;
<b>"Special Resolution"</b>		means (i) a resolution passed at a meeting of Bondholders duly convened and held in accordance with the provisions contained in these presents and carried by a majority consisting of not less than



seventy five percent (75%) of the persons present and voting thereat upon a show of hands or if a poll is duly demanded, by a majority consisting of not less than seventy five percent (75%) of the votes given on such poll or (ii) a resolution in writing signed by the Bondholders holding not less than seventy five percent (75%) of the nominal value of outstanding Subordinated Bonds;

<b>"Subordinated Bonds"</b>	means the Ringgit Malaysia Six Hundred Million (RM600,000,000.00) in aggregate nominal value four percent (4%) per annum subordinated bonds due 15 August 2022 to be issued by the Issuer that are hereby constituted or, as the case may be, the outstanding Nominal Value in respect thereof or, as the context may require, a specific portion thereof, and a "Subordinated Bond" means each or any of them;
<b>"Subscription Agreement"</b>	collectively means, the letters of invitation to be issued by the Issuer to the eligible investors read together with the letters of commitment to be issued by the eligible investors to the Issuer, the subscription terms and the letters of allotment to be issued by the Issuer to successful eligible investors, all in respect of the subscription of the Subordinated Bonds;
<b>"Tier 1 Capital Instruments"</b>	means any preference shares, preferred equity or other similar obligation issued by the Issuer or any subsidiary of the Issuer that constitutes Tier 1 capital of the Issuer on a consolidated basis as BNM has approved as qualifying for Tier 1 capital treatment pursuant to the relevant guidelines established by BNM;
<b>"Tier 2 Capital of the Issuer"</b>	means any reserves and subordinated debt or bonds issued by the Issuer or any subsidiary of the Issuer that constitutes Tier 2 capital of the Issuer on a consolidated basis as BNM has approved as qualifying for Tier 2 capital treatment pursuant to the relevant guidelines established by BNM;
<b>"these presents"</b>	means this Trust Deed (including the schedules hereto), as from time to time modified in accordance with the provisions herein contained, and includes any deed or other document supplemental hereto;
<b>"Trustee"</b>	means Malaysian Trustees Berhad (Company No. 21666-V), a trust corporation registered under the Trust Companies Act, 1949 and incorporated under the Companies Act, 1965 with its registered office at 20 <sup>th</sup> Floor, Plaza OSK, Jalan Ampang, 50450 Kuala Lumpur, and includes any other trustee or trustees for the time being of these presents; and
<b>"year"</b>	means a period of three hundred and sixty five (365) days.