

1. APPLICATION

- 1.1 This document constitutes a Service Schedule and must be read together with the Master Services Terms and Conditions, the Definitions Schedule and other Relevant Agreements.
- 1.2 The provisions of this Service Schedule apply where AmBank Islamic provides Collections Services to Customer.

2. COLLECTION SERVICES – GENERAL

- 2.1 **Purpose.** Customer shall use the Collections Services provided by AmBank Islamic solely for the purposes set out in the relevant set-up or application form or as otherwise agreed between AmBank Islamic and Customer from time to time.
- 2.2 **Cash Payments.** All cash Payments into the Collections Account must be deposited through AmBank Islamic's or AmBank Islamic branches or agent(s) appointed by AmBank Islamic.
- 2.3 **Receipt of Money.** Money is deemed received by AmBank Islamic only after AmBank Islamic has received cleared funds in full, and all relevant authorisations for receipt of such funds. Customer may only utilise such funds after such deemed receipt by AmBank Islamic.
- 2.4 **Use or Withdrawal of Uncleared Funds.** Notwithstanding clause 3.2, and subject to clause 3.5, AmBank Islamic may in its sole discretion allow Customer to withdraw or use the money deposited into the Collections Account before AmBank Islamic is deemed to have received such money. Customer acknowledges that:
- (a) nothing in this Service Schedule is deemed to constitute an agreement by AmBank Islamic to grant Cash Line-i or other form of financing facility to Customer;
 - (b) if any excess amount arises on the Collections Account due to credit having been received by Customer in respect of Cheques which are not honoured or cleared for any reason or reversal of any transfers of funds to the Collections Account:
 - (i) Customer must pay all sums due and owing to AmBank Islamic (including any fees) arising thereby;
 - (ii) AmBank Islamic may immediately debit the Collections Account or any Account of Customer (whether held by Customer singly or jointly with another or others) accordingly; and
 - (iii) Customer must pay AmBank Islamic on demand plus fees if any.
 - (c) AmBank Islamic's rights under this clause shall not be affected or prejudiced by any lapse of time including any lapse of time between the date of receipt of a Cheque by any branch and the date of presentation of Cheque, the date of crediting of the relevant funds, the date of dishonour becoming known, the date of any credit is reversed and/or the date of debit or claim by AmBank Islamic.
- 2.5 **Unsuccessful Collections.** In the event of an unsuccessful collection, the relevant Cheque or other instrument will be returned to Customer, and where applicable, the Collections Account will be debited accordingly.
- 2.6 **Collections Account Adjustment.** If the Collections Account is over-credited or under-debited for any reason, AmBank Islamic reserves the right to recover such amount by debiting the Collections Account or any Account of Customer (whether held by Customer singly or jointly with another or others) accordingly.
- 2.7 **Disputes between Customer and Payer.** Any disputes between Customer and a payer in relation to any actual or

attempted Payment or credit to the Collections Account must be resolved by Customer without involving AmBank Islamic.

3. CHEQUE CLEARING SERVICES

- 3.1 **Procedure.** AmBank Islamic will follow its standard operating procedure from time to time when processing Cheques and when in receipt of Cheques bearing irregularities on their face, such as undated or incomplete Cheques.
- 3.2 **Collection Channels.** Unless AmBank Islamic otherwise agrees in writing, Customer must deliver all Cheques for deposit into the Collections Account via the following Channels only:
- (a) any branch of AmBank Islamic in Malaysia with cheque deposit facilities;
 - (b) any courier company designated and authorised by AmBank Islamic to collect Cheques on behalf of AmBank Islamic in relation to the Collections Services provided to Customer.
- 3.3 **Deposit Slips.** All Cheques deposited into the Collections Account must be accompanied by a deposit slip and/or payment advice in the form prescribed by AmBank Islamic from time to time. If the deposit slip accompanying a Cheque contains errors or omissions, AmBank Islamic reserves the right to amend the deposit slip. AmBank Islamic's amended version of the deposit slip shall be deemed final and conclusive for all purposes.
- 3.4 **AmBank Islamic's Discretion.** Notwithstanding any agreement to the contrary or Customer's instructions to such effect, AmBank Islamic reserves the right to refrain from crediting the Collections Account with:
- (a) the value of any Cheque received but standing uncleared; and/or
 - (b) the value of any Cheque received without a deposit slip or with an incomplete or inaccurate deposit slip.
- 3.5 **Customer's Warranty.** Customer warrants that Customer has full legal and beneficial title to each Cheque deposited into the Collections Account and accepts full responsibility for the authenticity, validity and correctness of signatures, endorsements and particulars appearing on such Cheques.
- 3.6 **Limitation of AmBank Islamic's Liability.** AmBank Islamic is only responsible for Cheques when deposited with and acknowledged by an authorised signatory or teller of any of AmBank Islamic's branches or branches or any correspondent bank specified by AmBank Islamic from time to time. AmBank Islamic is not liable in any respect for any losses:
- (a) arising out of any defects in the Cheque; or
 - (b) caused by the negligence, willful misconduct or insolvency of any correspondent bank and/or agent.

4. COLLECTION SERVICES

- 4.1 **Receipt of Funds from Wire Transfer.** AmBank Islamic shall, at Customer's request, accept and act upon claims from Customer for payments to Customer from any person who has from time to time duly authorised and instructed its bankers to debit its account and transfer the amount debited through Wire Transfer or other appropriate clearing system to the credit of the Collections Account.
- 4.2 **Courier Services.** In relation to any Courier Service used in relation to the Collections Services, Customer:

- (a) authorises AmBank Islamic to engage, at AmBank Islamic's absolute discretion, one or more courier or other logistic companies to provide Courier Services;
- (b) agrees that the courier or other logistics company appointed by AmBank Islamic to provide the Courier Services are the Customer's agents for whom AmBank Islamic has no responsibility whatsoever; and
- (c) must pay for all fees, charges and disbursements payable and/or incurred in relation to the Courier Services.

4.3 Foreign Currency Collection. If any foreign currency is deposited into the Collections Account, AmBank Islamic may at any time convert such foreign currency into Ringgit Malaysia at the prevailing Forex Rate at the time of conversion.

5. AR RECONCILIATION SERVICES

5.1 Customer's Obligation. If Customer subscribes to the AR Reconciliation Services, Customer must:

- (a) provide to AmBank Islamic:
 - (i) a list of outstanding accounts receivables on a periodic basis agreed between AmBank Islamic and Customer, and in the absence of such agreement, on a monthly basis on or before the 7th day of each month; and
 - (ii) specific instructions on how to match payments against the accounts receivable lists;
- (b) procure that each payment is accompanied by a payment advice which sets out at a minimum the following information:
 - (i) the identity of the payer;
 - (ii) each invoice number which is the subject of the payment; and
 - (iii) the apportionment of the payment, if any, for each item in each invoice the subject of the payment.

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5.2 AmBank Islamic's Obligation. AmBank Islamic must:

- (a) match each payment received against the list of outstanding accounts receivables in accordance with Customer's specific instructions and in the absence of such instructions, in accordance to such method of matching as AmBank Islamic may decide from time to time; and
- (b) provide Customer with an AR Reconciliation report within 7 days from the end of each agreed period, or in the absence of such agreement, within 7 days from the end of each calendar month.

5.3 Clarification. The services provided by AmBank Islamic under the AR Reconciliation Services constitute data enhancement services only. AmBank Islamic is not obliged to demand, or procure payment from any debtors of Customer. AmBank Islamic may receive payment (in full or in part) for and on behalf of Customer even if such payment is disputed by Customer or may result in any waiver of any rights of Customer. AmBank Islamic is not liable for any losses suffered by any party arising in connection with or as a result of AmBank Islamic's receipt of any money for and on behalf of Customer.