

INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA

LOAN AGREEMENT

THIS AGREEMENT made the day and year as stated in Section 1 of the Schedule hereto

BETWEEN

The person whose name and particulars are as stated in Section 2 of the Schedule hereto (hereinafter called “**the Borrower**”) of the one part.

AND

INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA a company limited by Guarantee and not having a share capital incorporated in Malaysia and having its registered office at Jalan Gombak, 53100 Kuala Lumpur (hereinafter called “**the University**”) of the other part

WHEREAS

- A. The Borrower is pursuing or intends to pursue a course of study as specified in Section 3 of the Schedule hereto (hereinafter called “the Course of Study”) at the University.
- B. At the request of the Borrower, the University has agreed to grant the Borrower financial assistance in pursuing the Course of Study up to maximum amount as specified in Section 4 of the Schedule hereto (hereinafter called “the Loan”) upon the terms and conditions hereinafter contained.

NOW IT IS HEREBY AGREED as follows:

CLAUSE I

DEFINITION

- 1.1 In this Agreement unless the context otherwise requires the word and expression used herein shall have the following meanings:

“Board”	means a special Board appointed by the University who shall have full power to control and manage all matters related to the Loan;
“Borrower”	means the person referred to in Section 2 of the Schedule hereto;
“Loan”	means the Loan granted to the Borrower as referred to in Recital B hereof;
“Offer Letter”	means the offer letter for the Loan issued by the University through the Board to the Borrower, which shall be read and construed as an integral part of this Agreement and is annexed hereto as Annexure A;
“Security Documents”	means this Agreement and the Offer Letter and shall include any amendments or variations thereto;
“University”	means INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA , a company limited by Guarantee and not having a share capital incorporated in Malaysia and having its registered office at Jalan Gombak, 53100 Kuala Lumpur an Institution of Higher Learning with its office at Jalan Gombak, 53100 Kuala Lumpur and include its successors in title and permitted assigns.
“University Alumni Association”	means the alumni association of the University established under the Societies Act, 1966 on 7 th July, 1997 under Registration No. 2704/97 Wilayah Persekutuan.
“Ringgit Malaysia” or “RM”	means the lawful currency of Malaysia.

1.2 References to Recitals and Clauses are restricted to recitals and clauses to this Agreement.

1.3 Any reference to a statutory provision shall include such provision and any regulations made in pursuance thereof as from time to time modified or re-enacted whether before or after the date of this Agreement so far as such modification or reenactment applied or is capable of applying to any transactions entered into prior to the date hereof and (so far as liability thereunder may exist or can arise)

shall include also any past statutory provisions or regulations (as from time to time modified or re-enacted) which such provisions or regulations have directly or indirectly replaced.

- 1.4 Words denoting the singular number shall include the plural number and vice versa and words denoting the masculine gender shall include the feminine and neuter gender and references to persons shall be deemed to include bodies incorporate or unincorporated.
- 1.5 Words placing a party under a restriction include an obligation not to permit or allow infringement of the restriction.
- 1.6 Words denoting an obligation on a party to do any act, matter or thing, include an obligation to procure that it be done.
- 1.7 Headings in this Agreement are for convenience of reference only and shall not be used to construe or interpret this Agreement.

CLAUSE II

THE LOAN

- 2.1 At the request of the Borrower and based on the spirit of brotherhood in Islam and with full consciousness to help each other among the Muslims as strongly suggested in Islam, the University hereby agrees to grant the Loan to the Borrower to assist the Borrower in completing the Course of Study at the University subject to the terms and conditions of this Agreement.
- 2.2 The Loan will be made available to the Borrower throughout the Loan Period as specified in Section 5 of the Schedule hereto.

CLAUSE III

CONDITIONS PRECEDENT

3.1 CONDITIONS PRECEDENT

The University will make available the Loan to the Borrower upon and subject to fulfillment of the following conditions precedent:-

- (a) The Borrower shall have accepted the Offer Letter issued by the Board within the time specified therein and a copy of the Offer Letter duly accepted is submitted to the Board;

- (b) The Borrower shall have executed this Agreement;
- (c) This Agreement (and/or any other agreements as the University may from time to time require) shall have been stamped and the original copy thereof shall have been received by the University; and
- (d) The Borrower shall have duly complied with all other terms and conditions of the Offer Letter;

3.2. ADDITIONAL CONDITIONS PRECEDENT

The University will make or continue to make the Loan available to the Borrower subject to the following conditions:-

- (a) No event shall have occurred so as to render any advance under the Loan to become immediately repayable and no event of default under any agreement or terms and conditions herein contained shall have happened and be continuing.
- (b) No extraordinary circumstances, event or change of law or other government action shall have occurred which, shall make improbable that the Borrower will be able to observe and perform the covenants and obligations on the Borrower's part to be performed and observed under this Agreement and/or the Offer Letter.
- (c) The University is satisfied that any drawdown or advance or utilisation of the Loan shall at the time of request thereof be needed by the Borrower for the purpose set out in Recital B.
- (d) The Borrower shall have duly complied with and satisfied all such other terms and conditions as the University may at its sole and absolute discretion from time to time stipulate or impose.

and the Borrower hereby expressly declares and warrants to the University that the Borrower shall have fulfilled the aforesaid conditions at the date of each advance.

3.3 WAIVER OF CONDITIONS PRECEDENT

It is hereby expressly acknowledged and declared that the terms and conditions contained in Clause 3.1 and 3.2 are inserted for the sole benefit of the University and may be waived by the University in whole or in part at the University's sole and absolute discretion without prejudicing the rights of the University hereunder

and such waiver shall not preclude the University from insisting on the Borrower's compliance of such waived terms and conditions at a subsequent time.

CLAUSE IV

DRAWDOWN

- 4.1 Subject to Clause 3 and Clause 4.3 hereof, the University will disburse the Loan or any part thereof within reasonable time upon approval and instruction of the Board directly to the Borrower's bank account or to the relevant departments to which any payment is required to be made in relation to the Course of Study.
- 4.2 Notwithstanding the provision of Clause 4.1 hereof, the University shall have absolute right to suspend any disbursement without any obligation to assign any reason to the Borrower and the Borrower shall have no right whatsoever to question the decision made by the University to that effect.
- 4.3 No disbursement of the Loan or any part thereof will be made during semester break, medical leave and study leave taken by the Borrower.

CLAUSE V

SUSPENSION IN CERTAIN CIRCUMSTANCES

- 5.1 Without prejudice to the generality of the provision of Clause 4.2 above, the disbursement of the Loan or any part thereof to the Borrower shall be suspended on the occurrence of the following circumstances:-
 - (a) The Borrower at any particular time, fail to meet certain academic achievement required by the University in order to make the Borrower eligible for the Loan; or
 - (b) The Borrower at any particular time, fail to complete the total credit hours required by the University from time to time.

CLAUSE VI

COVENANT TO PAY

- 6.1 In consideration of the University lending to or advancing for the benefit of the Borrower the Loan, the Borrower being a responsible and trustworthy Muslim, hereby agrees and covenants with the University that the Borrower shall repay the Loan or any part thereof to the University by monthly instalments commencing

six (6) months after graduation or such longer period as the University may allow upon application being made by the Borrower.

- 6.2 The Borrower hereby agrees covenants and undertakes to repay the Loan or any part thereof promptly until full settlement thereof to ensure that there always be sufficient amount of moneys for the benefit of other Muslim students in future.

CLAUSE VII

MODE OF REPAYMENT

- 7.1 The amount and number of monthly instalments payable shall be determined by the University at its absolute discretion.
- 7.2 Subject to clause 7.3 hereof, the monthly instalments shall be paid to the University through its Student Affairs Division or to any other divisions as the University may from time to time determine.
- 7.3 If upon graduation, the Borrower returns to his own country of origin or works in any other country overseas, the Borrower irrevocably agree to pay the monthly instalments to the University's Alumni Association of his own country's, whom shall act as the representative of the University and fully authorised by the University to collect, receive, recover and demand for payment of such instalments from the Borrower including to initiate legal action.

CLAUSE VIII

EVENTS OF DEFAULT

- 8.1 The whole of the Loan or any part thereof that has been disbursed shall become due and immediately repayable on demand if:
- (a) the Borrower during the course period has in the opinion of the University;
 - (i) been guilty of misconduct, negligence, substantial absence or indifference or otherwise to his study or to the University; or
 - (ii) contravened any regulations and discipline of the Institution, engaged participated or involved himself in any activities which are unlawful, anti-government or which would endanger or threaten to endanger the security of Malaysia or behaved or conducted himself in a manner which is detrimental, to the image of Islam or the image of Malaysia, to the University or to himself;
or

- (iii) been living ostensibly;
- (b) the Borrower fails to observe and perform any of the covenants, undertakings, stipulations herein; or
- (c) the Borrower changes or abandons his study or training as required by the course without prior approval of the University; or
- (d) the Borrower has his study or training terminated; or
- (e) the Borrower acts in any way in breach of the provisions of this Agreement; or
- (f) a bankruptcy petition shall be presented against the Borrower; or
- (g) the Borrower has provided false information to the University whilst making his application for the Loan; or
- (h) a distress or execution or other process of a Court of competent jurisdiction be levied upon or issued against the property of the Borrower and such distress execution or other process as the case may be is not satisfied by the Borrower within seven (7) days from the date thereof and if after the University has reviewed the matter with the Borrower the University is of the opinion (which the opinion shall be conclusive) that this will materially affect the Borrower's ability to repay all money then owing under this Agreement; or
- (i) if any legal proceedings suit or action shall be instituted against the Borrower and if after the University has reviewed the matter with the Borrower the University is of the opinion (which opinion shall be conclusive) that this will materially affect the Borrower's ability to repay all moneys then owing under this Agreement; or
- (j) if any loan debt guarantee or other obligation whatsoever constituting indebtedness of the Borrower becomes due prior to its scheduled maturity (by demand acceleration or otherwise) or if such indebtedness shall not be paid within fourteen (14) days after the maturity thereof or within any period or grace allowed for payment thereof or if the Borrower is otherwise in breach or in default under any agreement deed or mortgage under or pursuant to which such indebtedness was created, incurred or assumed; or
- (k) if the Borrower shall make any assignment for the benefit of their creditors or enter into arrangement or composition for the benefit of his creditors; or

(l) if the Borrower become insane or dies;

then the University may suspend the disbursement of the Loan to the Borrower and the University shall by written notice to the Borrower declare the Loan to be immediately due and payable.

8.2 Any sums due to the University from the Borrower under this Agreement shall be recoverable in any event from the Borrower as the debt due from the Borrower to the University. The University shall be at liberty to attach any money to the credit of the Borrower in the University or any other account as and when the same becomes so available.

PROVIDED that the University reserves the right at its absolute discretion to relieve the Borrower from any or all of his obligations under this Agreement but such relief shall not constitute a waiver of other breaches not specifically waived therein.

CLAUSE IX

CONVERSION

9.1 Notwithstanding the provision of Clause 6 hereof, if the Borrower completes the Course of Study with excellent results, the University may at its absolute discretion convert the Loan to a scholarship.

9.2 The provision of Clause 9.1 above however shall not in any way be construed as imposing any obligation on the part of the University and the Borrower shall not be entitled to compel the University to that effect.

CLAUSE X

GENERAL PROVISIONS

10.1 This Agreement shall be binding on the University, its assigns and successors in title and on the Borrower and his heirs, executors and administrators.

10.2 Time wherever mentioned herein shall be the essence of contract.

10.3 The Offer Letter shall form part of this Agreement and in the event of inconsistency between the provisions of the Offer Letter and the terms and conditions of this Agreement, the latter shall prevail.

10.4 No failure or delay on the part of the University in exercising nor any omission to exercise any right, power, privilege or remedy accruing to the University under

this Agreement upon any default on the part of the Borrower shall impair any such right, power, privilege or remedy or be construed as a waiver thereof or an acquiescence in such default; nor shall any action by the University in respect of any default, affect or impair any right, power, privilege or remedy of the University in respect of other subsequent default.

- 10.5 Any term condition stipulation provision covenant or undertaking of this Agreement which is illegal, prohibited or unenforceable in any jurisdiction shall as to such jurisdiction, be ineffective to the extent of such illegality, voidness, prohibition or unenforceability without invalidating the remaining provisions hereof. Any such illegality, voidness, prohibition or unenforceability in any jurisdiction shall not invalidate or render illegal void or enforceable any such term conditions stipulation provision covenant or undertaking in any other jurisdiction.
- 10.6 It is hereby expressly agreed and declared by the parties hereto that notwithstanding any of the provision of this Agreement to the contrary, the provisions and terms of this Agreement may at any time and from time to time be varied or amended by mutual consent of the parties hereto.
- 10.7 (a) Subject to Clause 10.7(b), this Agreement shall be governed and construed in all respect in accordance with the Laws of Malaysia and the parties hereto hereby submit to the jurisdiction of the Courts of Malaysia in all matters connected with the obligations and liabilities of the parties to this Agreement.
- (b) If the Borrower reside in any country overseas upon the Loan or any part thereof becoming due and payable, for the purposes of giving effect to the recovery process carried out in that country by the Alumni Chapter, this Agreement shall be governed and construed in all respect in accordance with the laws of that country and the courts of that country shall have jurisdiction to hear all matters connected with the obligation and liabilities of the parties to this Agreement.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands/seal the day and year first above written.

SIGNED by the Borrower)
in the presence of:-)

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.....

Name :

Nric No :

Official Stamp:

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SIGNED by the University)
In the presence of:-)

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Name :

Nric No :

Address :

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SCHEDULE
 (which is to be read and construed as an integral part of this Agreement)

SECTION	ITEMS	PARTICULARS
1	The date of this Agreement
2	The Borrower	Name : Nric No/ Passport No : Permanent/Home Address:
3	Course of Study
4	Full Loan Amount/Partial Loan Amount*
5	The Loan Period

*To delete whenever inapplicable

IMPORTANT !!

INSTRUCTION TO FILL-IN THE IUM FINANCIAL LOAN AGREEMENT

1. 2 SETS OF AGREEMENT FOR STAMPING BY STUDENTS AT :

INLAND REVENUE OFFICE
GROUND FLOOR
MENARA KAUSAR
WANGSA MAJU

TEL : 41435833/41439486

OR ANY STATE LAND OFFICE IN MALAYSIA
2. ONLY **BLACK PEN** IS ACCEPTED TO FILL-IN THE AGREEMENT
3. DATE OF AGREEMENT ONLY BE WRITTEN IN THE SEC. I OF PAGE NO. 11 UPON STAMPING
4. ATTACH PHOTOCOPY OF APPLICANT'S PASSPORT.
5. ONLY **'A' CATEGORY OFFICER** IS RECOGNIZED AS WITNESS OF THE APPLICANT(S)