

ALLIANCE BANK MALAYSIA BERHAD

Terms of Reference of Executive Committee (“EXCO”)

Purpose	To act as the principal working-arm of the Board to complement the Board in fulfilling its oversight responsibility.
Roles & Responsibilities	<ol style="list-style-type: none">1. To review the strategies and business plans of the Bank.2. To review strategic investment or divestments.3. To review/veto proposed credit exposures exceeding RM100 million in total on a group basis up to Internal Single Counterparty Exposure Limit and credit matters beyond the Group Management Credit Committee’s authority.3(A) To review new/incremental Alliance Islamic Bank Berhad (“AIS”) financing exceeding AIS Management Credit Committee’s (“AIS MCC”) threshold of RM50 million; and issue a recommendation to the AIS Board. The above review shall focus on credit, business and governance matters. Any Shariah compliance matters shall be deferred to the Shariah Committee and AIS Board.3(B) To review the sale of non-performing financing portfolio of AIS; and issue a recommendation to the AIS Board.3(C) The scope under clause 3(A) above shall also encompass ‘policy loans’ and all other items below, from clause 4 to 9. With regard to AIS, all references to ‘loans’ shall be read as ‘financing’ instead.4. To review/veto credit exposures that do not meet Group Obligor Limit under the Bank’s Risk Acceptance Criteria.5. To approve credit transactions/exposures with connected parties classified under BNM/GP 6 Guidelines.6. To review the second and subsequent occurrence of restructuring and rescheduling accounts pursuant to the Bank’s Restructuring and Rescheduling Policy.7. To review restructuring and rescheduling (performing & impaired) accounts exceeding RM5.0 million on a quarterly basis.8. To review the Early Warning Accounts for Corporate Banking, Commercial Banking, SME and Group Financial Markets on a quarterly basis.9. To oversee the sale of non-performing loan portfolio.10. To approve the business aspects of New Product Programmes.

11. To review recovery/restructuring plans as per limits in the Approval Authority of Group Special Assets.
12. To approve CAPEX/ OPEX as per limits of approval below :

Budgeted CAPEX/ OPEX - more than RM4 mil, up to RM10 mil

Unbudgeted CAPEX/ OPEX – more than RM2.0 mil, up to RM10 mil

Limits are for per transaction.
13. To provide guidance to Management on matters of strategic significance or that may have a material impact on the Bank.
14. To ensure the adequacy of the risk framework and that there is a balance between risk and reward.
15. To review the Capital Structure and all Capital Restructuring, Funding Requirements and Dividend Payment of the Bank and its subsidiaries before submitting to Board for approval.
16. To perform such duties as may be directed by the Board from time to time.

Member	Unless otherwise determined by the Directors, the EXCO shall comprise not less than three (3) and not more than five (5) to be appointed by the Directors from amongst their body to be members of EXCO.
Chairman	The members of the EXCO shall elect one from among its members to be Chairman of the EXCO. In the event of the Chairman's absence at a meeting, the EXCO shall amongst the members present elect a temporary Chairman.
Quorum	Unless otherwise determined by the Directors, the quorum for EXCO meetings shall be three (3) members. Decisions made by the EXCO to be carried by a majority of votes of all its members present at the meetings. In the case of an equality of votes, the chairman of the executive committee meeting shall have a second or casting vote.
Frequency of meeting	The meetings of the EXCO shall be held as often as required and a meeting shall be held at any time if requested by the Chairman of the EXCO or by not less than two (2) of its members.
Minutes & Secretary	The EXCO shall keep full minutes of its proceedings, and for this purpose, the secretary of the Board shall also function as the secretary of the EXCO and the minutes of these proceedings shall upon confirmation be circulated to the Board via email for information.
Review of the Terms of Reference	The EXCO shall review the adequacy of its Terms of Reference at two (2) years interval or as and when necessary. Any proposed changes to the Terms of Reference shall be approved by the Board.