

Section 1

Principal Agency (*Wakalah*) Agreement

DATE :

FROM : (the “Investor”)

TO : PT Ethis Modal Syariah (the “Company”)

Rukan Puri Mansion Blok B no 7, Jl. Lingkar Luar Barat Raya,

Kembangan - Jakarta Barat 11610, Indonesia.

RE : *Istisna'* Investment Facility Letter (the “Letter”)

We hereby refer to the above matter.

- 1) The Investor hereby irrevocably and unconditionally appoints the Company as its agent and the Company hereby accepts this appointment to represent the investor in Taman Madinah Affordable Housing Phase 2, Cibitung, Greater Jakarta (the “Project”). The Company will represent the investor to purchase 23 units (the “Assets”) from PT Ethis Modal Indonesia (the “Developer”) on the basis of *Istisna'* (as defined in the Letter), and sell the said houses on the basis of *Murabahah* (as defined in the Letter).
- 2) The Investor hereby irrevocably and unconditionally appoints the Company as its agent to undertake the following:
 - (a) To do and execute all acts with respect to the purchase of the Assets from the Developer through purchase agreements, certificates and other instruments and to negotiate with the Developer on behalf of the Investor in relation thereto.
 - (b) To transfer the Asset Purchase Price from the Project Account to facilitate the purchase of the Asset;
 - (c) To execute the Murabahah Sale of the Assets (including all related legal documents) on behalf of the Investor;
 - (d) To receive the Asset Sale Price from the Bank via the Project Account ; and
 - (e) To distribute the Profit from the Murabahah sale (including any compensation, if any) to the Investor.
 - (f) To negotiate in good faith and in the best interests of the Investor Group, in a situation where the planned sale or negotiations related to this Project do not meet expectations of returns or the projected time frame.
- 3) In consideration of the management of the investment of each Investor in terms of facilitating and processing contracts, monitoring the Project, providing project updates, and other services related to managing the investment process and attending to customer needs, a fixed fee of 7.69% of the gross profit (if any) of the Investor will be charged by the Company as an Agency Fee. The fee will be deducted from the net profit of the project and Investors will receive their calculated profits.

- 4) The Developer has structured a mitigation measure to cover losses of up to 5% of the Investor's capital from any depreciation of the Indonesian Rupiah (IDR) against the Singapore Dollar (SGD) during the tenure of the Project.
- 5) The appointment of the Company herein shall cease upon the transfer of the Investor's portion of the payment from the proceeds to the Investor Group upon completion of the Project, or as mutually agreed in other circumstances.
- 6) The Investor shall not be obliged to agree to any request from the Company if the Investor believes that the request is in contravention of any law, policy, rules or regulations.
- 7) The Company undertakes to provide periodic reports on the progress of the Project and the achievement of the Project Milestones as defined in Annex A, based on information provided to the Company by the Developer.
- 8) Except for the specific purposes of this appointment and as expressed in the Letter, this appointment shall not create or be deemed to create any other form of partnership, joint venture or agency between the Investor and the Company.

Thank you.

Yours faithfully,

PT Ethis Modal Syariah

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Name: Ronald Wijaya
Designation: Director

ANNEX A

These are the Project Milestones to be achieved, as set by the Developer, which upon successful fulfilment will result in the disbursement of the Project Proceeds to the Investor Group:

- (1) Foundation development
- (2) Concrete wall construction
- (3) Roof tiling and finalization work

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SAMPLE

Private & Confidential***Istisna* Investment Facility Letter**

Date:

Company's Name

PT Ethis Modal Syariah

Attn:

Dear Sir,

ISTISNA INVESTMENT OF UP TO THE MAXIMUM AMOUNT OF SINGAPORE DOLLAR 242,896 ONLY (the "FACILITY")

We, PT Ethis Modal Syariah (the "Company"), hereby offer you an opportunity to participate in the group investment into the development of the Project (as defined below) based on the following terms and conditions:

SECTION A: THE PROJECT		
1.	Type of Facility	: Istisna Investment for the purpose of cost plus profit sale or, " <i>Istisna for Murabahah</i> " Investment ("the Facility") An agreement for raising investment funds for the construction of houses (<i>Istisna</i>), which will be sold for a profit (<i>Murabahah</i>).
2.	Purpose	: To finance the construction and acquisition of 23 units (the "Assets") in Taman Madinah Affordable housing phase 2, Cibitung, Greater Jakarta (the "Project") as required by PT Ethis Modal Indonesia (the "Developer"). After completion of construction, the ownership of the Assets will be held by the Company on behalf of the Investor Group. The Company will then appoint the Developer as an agent to sell the Assets on cost plus profit (<i>Murabahah</i>) basis and disburse the agreed amount of profit from the sale to the Investor Group.

3.	Facility Tenure	:	12 to 13 months commencing from the date of the first disbursement of the Facility.
4.	Investor Group	:	A group of 'EthisCrowd' investors (including its respective successors in title and assigns and any successors), who agree to participate in the investment to provide the Facility based on agreed proportion amounts, and where any references to an "Investor" includes all investors in this group.
5.	Commitment Amount	:	Singapore Dollar \$242,896 This forms the total aggregate Investment Amount raised by the Investor Group for the Facility.
6.	Asset Sale Price & Wakalah Fee	:	Singapore Dollar 552,035 i.e. The amount payable for the Assets by the end buyers at the end of the Tenure of the Facility. The profits of which will be the source of return for the Investor. A wakalah fee of 49.84 % of the total sale price of the Assets will be paid to the Developer for his agency role to sell the units on behalf of the Investor Group.
7.	Shariah Concept	:	The Parties hereby agree that the Facility has been structured based on the Shariah principles of <i>Istisna</i> (manufacturing agreement) and <i>Murabahah</i> (cost plus profit sale) and <i>Wakalah</i> (agency).
8.	Projected Gross Return based on projected sale price	:	The indicative Net Return on Investment based on the projected sale price is as follows: Retail investors: 13% Lead investors: 14%
9.	Business Risks and Financial Loss	:	The Investor acknowledges and agrees that the investment in the Project through the Company is accompanied by all business risks associated with a venture or project of such nature. Accordingly: (a) There is no assurance or guarantee given by the Company, any director of the Company, its affiliates (the "Ethis Group") or any other person that the Company will obtain the Sale Proceeds in the amount projected or

		<p>anticipated, or any amount of revenue or profit whatsoever from the Project;</p> <p>(b) Investment in the Project comes with a risk of substantial or total loss, and there is no assurance or guarantee given by the Ethis Group or any other person that the Investor will be able to receive or recover any amount invested under this Agreement or any profit projected by the Company.</p>
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SECTION B: FINANCING DETAILS & AGREEMENTS

1.	Financing Amount	:	Singapore Dollar only.
2.	Investor	:	<p>Name of Investor:</p> <p>ID/Passport:</p> <p>Country of Passport:</p> <p>and includes his/her successors in title, heirs, personal representatives and permitted assigns.</p>
3.	Principle Agency (Wakalah) Agreement: Appointment of the Company as an Agent for the Investor	:	<p>The Investor shall sign an irrevocable appointment of the Company via a Principle Agency (<i>Wakalah</i>) Agreement ("<i>Wakalah</i>") as its agent to undertake the following:</p> <p>(a) To do and execute all acts with respect to the purchase of the Assets from the Developer through purchase agreements, certificates and other instruments and to negotiate with the Developer on behalf of the Investor in relations thereto.</p> <p>(b) To transfer the Asset Purchase Price from the Project Account to facilitate the purchase of the Asset;</p> <p>(c) To execute the Murabahah Sale of the Assets (including all related legal documents) on behalf of the Investor;</p> <p>(d) To receive the Asset Sale Price from the Bank via the Project Account ; and</p>

			<p>(e) To distribute the Profit from the Murabahah sale (including any compensation, if any) to the Investor.</p> <p>(f) To negotiate in good faith and in the best interests of the Investor Group, in a situation where the planned sale or negotiations related to this Project do not meet expectations of returns or the projected time frame.</p>
4.	Agency <i>Wakalah</i> Letter: Appointment of Developer as a Sub-Agent for Ethis		<p>Ethis shall signify an irrevocably appointment of the Developer via an Agency <i>Wakalah</i> Letter as its agent with fees restricted to find end buyers for the Assets and to do/ execute all preliminary acts with respect to the finalization of the sale of the Assets to the end buyers via the bank chosen by the end buyer.</p> <p>The Agency <i>Wakalah</i> Letter template shall be provided to the Developer in a separate document.</p>
5.	<i>Murabahah</i> Sale		<p>Upon the conclusion of the purchase of the Assets by the Investor via the Company, the Company will then facilitate the sale of the Assets at the Asset Sale Price to the end buyer.</p> <p>Pursuant to the Principle <i>Wakalah</i> Letter, Ethis will help the bank that will provide financing to the end buyer to conclude the <i>Murabahah</i> Sale on behalf of the Investor.</p>
6.	Asset Purchase Price	:	<p>The amount equals to the Investment Amount as stated in Section B(1) herein. This amount will be disbursed to the Developer on progress basis to finance the construction and purchase of the Assets.</p>
7.	Disbursement of the Facility	:	<p>The Investor (via the Company) shall disburse the investment amount directly to the Developer or in the manner agreed between the Company and the Developer from time to time.</p>

SECTION C: SPECIFIC TERMS AND CONDITIONS FOR THE FACILITY

1.	Expenses	:	<p>All costs and expenses including legal fees, stamp duty, incidental fees, financing costs or other charges incurred and other related expenses shall be born by the Developer.</p>
2.	Istisna Agreement	:	<p>Includes the following:</p> <p>(a) This <i>Istisna</i>' Investment Facility Letter</p> <p>(b) Principle <i>Wakalah</i> Letter;</p> <p>) Such other documents/agreements as may be required pertaining to the Facility.</p>

3.	Governing Law	: This <i>Istisna</i> Investment Facility Letter shall be governed by and interpreted in accordance with the laws of Singapore, and the parties irrevocably agree to: (i) submit to the non-exclusive jurisdiction of the Courts in Singapore; (ii) waive any objections on the suitability of venue, jurisdiction or any similar grounds; (iii) consent to the service of legal process in any manner permitted by this <i>Istisna</i> Investment Facility Letter; and
4.	Automatic Cancellation	: If prior to the completion of the <i>Istisna</i> Milestones by the Developer, an Event of Default occurs or it becomes illegal in any applicable jurisdiction or under any applicable laws or regulations for the Developer to share the proceeds of the <i>Istisna</i> ; the Parties mutually agree that the <i>Istisna</i> Investment shall be immediately and automatically cancelled, and the Developer shall immediately refund the Investor (via the Company) all monies advanced or paid to it.
5.	Representations and Warranties	: The Developer represents and warrants to the Investor on the date of this <i>Istisna</i> Investment Facility Letter that: (a) It is duly incorporated and validly existing under the laws of Indonesia; (b) It has the power to execute the project, and to fulfil the Project Milestones and has taken all necessary action to authorize such execution and performance; (c) The fulfilment of the Project Milestones does not violate or conflict with any applicable law or regulation, any provision of its constitutional documents, order or judgement of any court or other agency of government applicable to it, or any contractual restriction binding on it; (d) No Event of Default has occurred or would reasonably be expected in its duties in carrying out the project; (e) The core or main business of the Developer and the purpose of the financing herein are and shall at all times remain Shariah compliant.
6.	Events of Default	: An Event of Default is deemed to have occurred in any of the following circumstances, whether or not arising due to the fault of the Developer: (a) Any representation or warranty given or made by the Developer proves to be untrue, incorrect or inaccurate in any material respect; or

		<p>(b) Any step is taken for the winding up, liquidation or dissolution of the Developer.</p> <p>(c) Upon the occurrence of any Event of Default, the Investor shall have the right by notice to the Developer to declare the entire proportion of the <i>Istisna</i> investment to become immediately due and payable.</p>
<p>7.</p>	<p>Miscellaneous</p>	<p>(a) If at any time any one or more of the provisions hereof is or become illegal, invalid or unenforceable under Singaporean law, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provisions under the laws of any other jurisdiction shall in any way be affected or impaired thereby.</p> <p>(b) If any provision of the <i>Istisna</i> Agreement (or part of it) or the application thereof to any person or circumstance shall be illegal, invalid or unenforceable to any extent, it must be interpreted as narrowly as necessary to allow it to be enforceable or valid and the remainder of the <i>Istisna</i> Agreement and the legality, validity or enforceability of such provisions to other persons or circumstances shall not be in any way affected or impaired thereby and shall be enforceable / enforced to the greatest extent permitted by law.</p> <p>(c) All rights and obligations in the <i>Istisna</i> Agreement are personal to the Parties and each Party in the <i>Istisna</i> Agreement may not assign and/or transfer any such rights and obligations to any third party without the prior consent in writing of the Parties.</p> <p>(d) The <i>Istisna</i> Agreement contains the entire understanding between the Parties relating to the transaction contemplated by the <i>Istisna</i> Agreement and shall supersede any prior expressions of intent or understandings with respect to the said transaction. All prior or contemporaneous agreements, understandings, representations and statements, oral and written, are merged in the <i>Istisna</i> Agreement and shall be of no further force or effect.</p> <p>(e) Any communication to be made under or in connection with the <i>Istisna</i> Agreement shall be made in writing and, may be made by electronic mail, through Ethis at [Maryam@Ethiscrowd.com] or at such other address as Ethis may notify the parties from time to time. Any communication made between Ethis and any of the Parties</p>

under or in connection with the *Istisna* Agreement shall be made to the address or electronic mail address provided to Ethis or its registered address, in the case of the Developer, and shall be effective when received.

- (f) No failure to exercise, nor any delay in exercising, on the part of the Investor, any right or remedy under the *Istisna* Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies under the *Istisna* Agreement are cumulative and not exclusive of any rights or remedies provided by law.
- (g) No provision of the *Istisna* Agreement may be amended, waived, discharged or terminated orally nor may any breach of or default under any of the provisions of the *Istisna* Agreement be waived or discharged orally but (in each case) only by an instrument in writing signed by or on behalf of the Parties. Any amendments or variations to the *Istisna* Agreement shall be Shariah-compliant.
- (h) The *Istisna* Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the *Istisna* Agreement.
- (i) Each Party agrees to keep all information relating to the *Istisna* Agreement confidential, and not disclose it to anyone, save with the prior written consent of the other Parties or as required by any applicable laws or regulations.
- (j) The *Istisna* Agreement is intended to be Shariah-compliant. The parties hereby agree and acknowledge that their respective rights and obligations under the *Istisna* Agreement are intended to, and shall, be in conformity with Shariah principles.
- (k) Notwithstanding the above, each party represents to the other that it shall not raise any objections or claims against the other on the basis of Shariah-compliance or any breach of Shariah principles in respect of or otherwise in relation to any part of any provision of the *Istisna* Agreement

[End of clauses]

Yours faithfully,

For **PT Ethis Modal Syariah**

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Name: Ronald Wijaya
Designation: Director

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