

EXPRESSION OF INTEREST

Teer Islamic Commercial Paper

Date:

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To

Managing Director,
City Auto Rice & Dal Mills Ltd. (CARDML)
City Economic Zone, Uttar Rupshi, Rupgonj,
Narayangonj, Bangladesh
(hereinafter referred to as the “**Issuer**”)

Through:

Prime Bank PLC.,
Simpletree Anarkali, Holding No: 89, Plot No: 03,
Block: CWS(A), Gulshan Avenue, Gulshan,
Dhaka-1212, Bangladesh,
(hereinafter referred to as the “**Wakil**”)

Subject: Expression of Interest (EOI) to subscribe Islamic Commercial Paper (ICP) Note issued by City Auto Rice and Dal Mills Ltd.

Esteemed Authority,

Please accept this **Letter of Intent (LOI)** as a formal declaration of my/our interest in subscribing to the **Islamic Commercial Paper (ICP)** issued by **City Auto Rice & Dal Mills Ltd. (CARDML)**. Please find my/our necessary details, as hereunder:

Particulars of Investors			
Name of the Applicant(s)			
NID (In case of Individual)		Registration No. (In case of Institution)	
ETIN			
Address			
Contact Number		Email	
Number of ICP Note Purchased			
Subscription Amount:			
Key Terms and Condition:	Please see overleaf		

Auto Debit Enrolment			
Auto Debit Amount		Auto Debit Date	
Account No.			
Branch Name & Routing no.			
Declaration & Debit Instruction	I/We hereby authorize Prime Bank PLC the (Wakil) to debit my/our account (A/C No. : _____) on the auto debit date for the purpose of investment in the Teer Islamic Commercial Paper issued by City Auto Rice & Dal Mills Ltd. Prime Bank PLC shall not liable for failed debits due to, (i) Insufficient funds in my/our account (ii) Issuer’s failure to confirm repayment availability at maturity.		

Key Terms & Conditions

1. Prime Bank PLC. acts solely as the Issuing & Paying Agent (IPA) and assumes no liability for repayment defaults by the issuer (CARDML)
2. This ICP cannot be sold, transferred, or encashed before maturity (180 days).
3. Investor acknowledges that:

a) All risk disclosures were provided in writing.

b) Profit estimates are not guaranteed and may vary.

Disclaimer: Teer Islamic Commercial Paper (ICP) is a financial instrument subject to credit and other related risks. It is not protected under the Deposit Insurance Act, 2000, and does not carry any guarantee from Prime Bank PLC., its affiliates, or any government entity. Prime Bank PLC acts solely as the Issuing and Paying Agent (IPA) for this ICP and assumes no liability or responsibility for the repayment obligations of the issuer. Repayments to investors are made only upon availability of funds from the issuer company. In the event of default or non-repayment, Prime Bank PLC. or its affiliates will not be held responsible for initiating recovery or legal action on behalf of the investors. Prime Bank PLC. will, however, promptly notify investors in the event of any failure of repayment by the issuer. Any partial payments received from the issuer will be distributed in accordance with the terms and conditions of the underlying agreement. Investors are solely responsible for assessing and bearing all credit and associated risks linked to this investment.

Investor Declaration

By signing this LOI, I/We confirm that:
I/We have read and understood all terms and conditions are outlined in the attached document
I/We have consulted independent financial/legal advisors (if necessary).
I/We accept the risks, including the potential total loss of principal.
I/We have read and understood the **Key Terms & Conditions of Teer Islamic Commercial Paper**

Yours sincerely,

Name/Authorized Signatory:
Title/Designation:
Contact no:
e-mail:

Accepted by

Name/Authorized Signatory
Prime Bank PLC.,
Simpletree Anarkali, Holding No: 89, Plot No: 03,
Block: CWS(A), Gulshan Avenue, Gulshan, Dhaka-1212, Bangladesh,

KEY TERMS & CONDITIONS

Teer Islamic Commercial Paper

Issuer	City Auto Rice & Dal Mills Limited (“CARDML”)
Description	Islamic Commercial Paper (ICP) is a short-term Shariah-compliant financial instrument used by corporations and financial institutions to raise fund for short term financing needs. Unlike conventional commercial papers (which involve interest-based transactions), ICP adheres to Shariah principles, avoiding Riba (interest) or Subhat al Riba (doubtful resemblance to interest) and fictitious transactions.
Use of proceeds	Short term fund requirement to procure raw materials.
Credit ratings of CARDML	Long Term: AA+, Short Term: ST-1 by Alpha Credit Rating PLC. Validity: February 8, 2026
Issue amount	BDT 500 million
Profit Rate (Base Rate + Margin)	14.46%* p.a. (Estimated as of February 2025)
Base rate	Average of upper limit of the 6 month’s deposit rate of full-fledged scheduled Islamic Banks; i.e. 9.96% p.a. (estimated as of February 2025)
Margin	4.50% p.a. (estimated)
Currency	Bangladesh Taka (BDT)
Tenor / Maturity	180 days from the date of issuance
Shariah Validation	Endorsed by the Shariah Supervisory Committee of Prime Bank PLC. This does not constitute any legal bindings to the member of Shariah Supervisory Committee. It is based on Bai Salam, Wakalah, and Bai Murabaha in a sequential manner.
Regulatory Perspective	This ICP is to be issued in compliance with the applicable guidelines as set out by Bangladesh Bank “The Central Bank of Bangladesh”
Security	a. Personal Guarantee of Shareholding Directors of the issuer b. Corporate Guarantee of City Edible Oil Ltd.
Repayments	Principal and Profit to be repaid in one shot at maturity (180 days). If the maturity falls on non-business day, the repayment will be made on preceding business day.
Business Days	A day (other than a Friday, Saturday and holidays) on which registered banks are generally open for business in Bangladesh.
Minimum Subscription	Minimum subscription of BDT 500,000.00 with multiples of BDT 100,000 thereafter
Issuing & Paying Agent (IPA)	Prime Bank PLC. IPA’s role is restricted to facilitate issuance of ICP, process payments and maintain record. IPA will arrange to provide ICP note to the investors after investment executed by the issuer.
Investors	Any individual or institutions operating in Bangladesh.
Governing Law	Law of Peoples Republic of Bangladesh and AAOIFI standards/ other applicable Shariah Principles.
Legal Documentation	1. Bai Salam Contract 2. Wakala Agreement 3. Letter of Wa’ad (For Purchase Undertaking) 4. Sale of Goods Contract 5. Deed of Kafālah Bi Al-Māl (Personal Guarantee) 6. Deed of Kafālah Bi Al-Māl (Corporate Guarantee) 7. Islamic Commercial Paper Note (ICP Note/Certificate) 8. Escrow Account Agreement
Misrepresentation	Misrepresentation by the investor voids the investment and triggers indemnification obligations
Selling restrictions	The Commercial Paper shall ONLY be offered in Bangladesh in conformity with all applicable laws and regulations in the country.
Default Rate	If the Issuer fails to pay any amount payable by it under any Contract on its maturity date, default rate / penalty shall accrue on the overdue amount from the maturity date up to the date of actual payment (both before and after judgment) at a rate of 1.5 per cent (1.5%) per annum higher than the estimated profit rate and will be paid directly to a charity fund. The charity fund shall be utilized exclusively for approved charitable purposes as mutually agreed upon.
Default provisions	Event of Default: Failure to repay at maturity. Investor’s sole recourse is against issuer is that Prime Bank PLC will notify investors of default, but has no recovery obligation. Prime bank PLC will not be held responsible for seeking recovery from the issuers or initiating any action against the issuer on its own or on behalf of the investors. However, If an Event of Default is in place, Wakil on behalf of the Investor(s) shall enforce guarantee of the Guarantors, and deposit the proceeds of enforcement in the Escrow Account for making payment of Subscription Amount and distributable profit. Prime bank PLC shall distribute the received funds (including partial payments) as per terms and conditions of the underlying agreements if the issuer makes the partial payment.

Disclaimer:

1. Prime Bank PLC. assumes no liability for Issuer’s repayment capacity.

2. The Islamic Commercial Paper (ICP) is subject to credit, liquidity, and operational risks associated with the issuer. Prime Bank PLC, in its role as Issuing and Paying Agent, does not guarantee repayment nor assume liability for defaults. Investors are advised to perform their own due diligence and seek independent legal and financial advice before investing.

3. Teer Islamic Commercial Paper is subject to credit and other related risks and not protected under Deposit Insurance Act, 2000. This ICP is not guaranteed by Prime Bank PLC, its affiliates, or any government entity. Upon making available of the repayment fund by the issuer company, only then the repayments will be made to the investor(s). In case of non-repayments (event of default), Prime Bank PLC or any of its affiliates cannot be held responsible for seeking recovery from the issuers or initiating any action against the issuer on its own or on behalf of the investor(s). Prime Bank PLC. will promptly notify the investors in case of any failure of repayment by the issuer as and when occurred. The repayment fund shall be distributed as per the terms and conditions of the underlying agreement if the issuer makes partial payments.

4. The dates set out in this Terms Sheet are indicative only and are subject to change. Prime Bank has the right in its absolute discretion and without notice to close the Offer early, to accept late applications, to extend the Closing Date or to choose not to proceed with the Offer. If the Closing Date is extended, subsequent dates may be extended accordingly. Copies of the relevant offer documents are available at Prime Bank’s website at www.primebank.com.bd

5. Any internet site addresses provided in this Terms Sheet are for reference only and, except as expressly stated otherwise, the content of any such internet site is not incorporated by reference into, and does not form part of this Terms Sheet. Investors should seek qualified independent financial and taxation advice before deciding to invest. Investors will also be personally responsible for ensuring compliance with relevant laws and regulations applicable to them (including any required registrations).

For further information regarding Prime Bank, visit www.primebank.com.bd

Contact details

Issuer
City Auto Rice & Dal Mills Limited
City House, Plot # NW (J) 06, Road # 51, Gulshan - 02, Dhaka-1212, Bangladesh

IPA
Prime Bank PLC.
Simpletree Anarkali (Level — 3), 89, Gulshan Avenue, Dhaka — 1212