

LOAN AGREEMENT

THIS LOAN AGREEMENT is made the day and year stated in Section 1(a) of Schedule A hereto Between **THE BANK OF NOVA SCOTIA BERHAD (Company No. 308035-U)**, a company incorporated in Malaysia and having its registered office at Ground and Mezzanine Floors, Menara Boustead, No. 69, Jalan Raja Chulan, 50200 Kuala Lumpur and a place of business as stated in Section 1(c) of Schedule A hereto (hereinafter called "**the Bank**") of the one part And the party(ies) whose name(s), description and address(es) are stated in Section 2 of Schedule A annexed hereto (hereinafter called "**the Borrower**") of the other part.

ARTICLE 1

RECITALS

Section 1.01 Application For Banking Facility

- (i) At the request of the Borrower, the Bank has agreed to grant or make available to the Borrower and/or to continue to grant or make available to the Borrower an Operating Overdraft Facility and/or a Non-Revolver Loan and/or a Revolver Term Loan referred to in Article II hereunder as the Bank may in its ~~absolute~~ discretion grant from time to time (hereinafter referred to as "**the Facility**") which expression shall where the context so permits include any part or balance thereof to be paid or advanced by the Bank) for the purpose(s) and upon the terms and conditions more particularly set out in the Letter of Offer issued the day and year stated in Section 1(b) of Schedule A hereto (hereinafter referred to as "**the Letter of Offer**") issued by the Bank and accepted by the Borrower and attached hereto as Schedule F and on the terms and subject to the conditions hereinafter contained including all those additional terms and conditions as set out in Schedule B and/or Schedule C and/or Schedule D respectively and in Schedule E.
- (ii) As security for the repayment of the Facility and all sums due and payable hereunder, the Borrower shall execute the Letter of Offer and this Loan Agreement and shall further execute and deliver to the Bank and/or procure the execution and delivery to the Bank by the Borrower and/or any party providing the security (hereinafter referred to as "**the Security Party**") whose name(s) and description are described in Section 3 of Schedule A hereto and whose obligations shall continue to subsist notwithstanding any other additional/supplemental facilities granted by the Bank to the Borrower and secured by any other security party to be included from time to time) of such other security documents now or hereafter or from time to time required by the Bank (hereinafter referred to as "**the Security Documents**") over the Property more particularly set out in Section 4 of Schedule A hereto (hereinafter referred to as "**the Property**") including but not limited to the Related Documents more particularly set out in Section 5 of Schedule A hereto (hereinafter referred to as "**the Related Documents**").

- (iii) One of the conditions for the granting of the Facility to the Borrower is that the Security Party shall execute and deliver the Security Documents more particularly set out in Section 6 of Schedule A hereto and shall also deliver to the Bank all such Related Documents affecting or concerning the securities as provided in the Security Documents.
- (iv) Pursuant to the provisions abovestated, the Borrower has agreed to execute this Loan Agreement with the Bank on the terms and subject to the conditions hereinafter appearing.
- (v) A separate document of title or separate strata title to the Property has not been issued by the relevant authority as at the date hereof.

ARTICLE II

COVENANT TO PAY

Section 2.01A

Covenant To Pay (Operating Overdraft Facility)

In consideration of the Bank hereby granting or making available or agreeing to grant or to make available or continuing to grant or to make available to the Borrower the Operating Overdraft Facility and paying or advancing the same to the Borrower or to such person as the Bank shall deem appropriate (the payment whereof the Borrower expressly and irrevocably authorises the Bank to make) at the time and in the manner as the Bank may ~~in its absolute discretions~~ deem fit and upon the Security Party executing the Security Documents and providing the security, the Borrower hereby covenants and undertakes that he will on demand pay to the Bank all sums of money which are now or shall from time to time or at any time hereinafter be due or owing by the Borrower solely or jointly with any other person firm or company and whether as principal or surety or which the Borrower may be or become liable to the Bank anywhere on banking account or any other accounts current or otherwise or in any manner whatsoever including the balance for the time being owing for or in respect of cheques, bills, notes, drafts or other negotiable instruments accepted paid or discounted for and on behalf of the Borrower either alone or jointly with another or others or for any other payments loans credit or advances made to or for the use or accommodation or on behalf of the Borrower whether alone or jointly with another or others pursuant to or in respect of or under any guarantee or letter of credit given established or opened by the Bank for the Borrower or any contracts for the forward delivery of goods bills or specie or in respect of any other banking facilities whatsoever whether or not given upon or under any trust receipts or other security whatsoever or otherwise howsoever up to the aggregate principal amount as stated and referred to as "**the Operating Overdraft Facility**" in Schedule B hereto together with interest thereon at the rate prescribed thereunder above the Bank's Base Lending Rate calculated on daily rest on the daily outstanding balance of the Borrower's Operating Overdraft Facility account on the basis of a 365-day year for the actual number of days elapsed (hereinafter referred to as "**the Prescribed Rate**" which expression shall where the context so permits includes any and such other rate which the Bank may at any time and from time to time stipulate in the manner hereinafter appearing) commission discount and all other banking charges and all costs charges and other expenses which the Bank may charge in respect of any of the matters aforesaid or which the Bank may pay or incur in registering and in perfecting the present security that has been created and under this Loan

Agreement and/or the Security Documents to be created and/or additional security which may hereafter be created or in enforcing or obtaining payment of such monies or in paying any expenses of outgoings whatsoever in respect of or insuring repairing maintaining managing or realising the Property or in defending prosecuting or otherwise howsoever taking part in or attending at (whether on watching brief as observer or otherwise howsoever) any action enquiry hearing suit or other proceedings whatsoever affecting the Property and also all other payments and sums hereinafter mentioned or stipulated and other usual bankers' charges.

AND if when the said account or accounts current or otherwise shall be closed by demand as aforesaid or by the death of the Borrower (or where the Borrower shall be more than one person by the death of any one of them) a balance shall be owing to the Bank by the Borrower so long as the same or any part thereof shall remain owing pay to the Bank interest thereon at the Prescribed Rate with daily rests computed from the time when such balance shall have been ascertained.

AND it is hereby further agreed and declared that the Borrower's covenant to pay the Operating Overdraft Facility shall include always the additional terms and conditions that are specifically set out in Schedule B hereto and Schedule E.

PROVIDED ALWAYS THAT the Bank shall be at liberty and is hereby expressly and irrevocably authorised by the Borrower to advance or pay the whole of the Operating Overdraft Facility or such part or parts thereof to the Builder Developer Contractor Architect or such other persons responsible for or concerned with the construction of the Property or to the Vendor or to a Bank or financial institution or to such other person as the Bank shall deem appropriate at such times in such manner by such amounts and upon such contingencies and conditions as the Bank may ~~in its absolute discretion~~ decide **AND IT IS HEREBY EXPRESSLY ACKNOWLEDGED AGREED AND CONFIRMED** by the Borrower that all advances and payments to such aforesaid person or persons shall for all purposes whatsoever be deemed to be and form part of the monies secured by and owing under this Agreement and the acknowledgement or receipt of such aforesaid person or persons shall be as good and sufficient and effective as if the same had been made or given by the Borrower personally.

Section 2.01B

Covenant To Pay (Non-Revolving Loan)

In consideration of the Bank hereby granting or making available or agreeing to grant or to make available or continuing to grant or to make available to the Borrower the Non-Revolving Loan and paying or advancing the same to the Borrower or to such other person as the Bank shall deem appropriate (the payment whereof the Borrower expressly and irrevocably authorises the Bank to make) and upon the Security Party executing the Security Documents and providing the security at the time and in the manner as the Bank may ~~in its absolute discretion~~ deem fit, the Borrower hereby covenants and undertakes that he will on demand pay to the Bank the sum of Ringgit Malaysia in the principal amount as stated and referred to as "**the Non-Revolving Loan**" in Schedule C annexed hereto (which expression shall include wherever the context so permits any balance or part thereof) lent to or advanced for the benefit of the Borrower by the Bank in one sum or by progressive releases as and when the Bank is satisfied that the state of the building or buildings erected or to be erected on the Property justifies the advance together with the interest thereon at the rate prescribed thereunder above the Bank's Base Lending Rate on daily rests

(hereinafter referred to as "**the Prescribed Rate**" which expression shall include where and when applicable such other rate as may from time to time be substituted therefor in the manner hereinafter provided) and until demand as aforesaid will repay the Non-Revolution Loan and interest thereon at the Prescribed Rate by the instalments at the times and in the manner as stated in Schedule C hereto (hereinafter referred to as "**the Instalments**") the first of the Instalments to be paid on the 1st day of the month following next after the date on which the full amount of the Non-Revolution Loan shall have been advanced or paid to or on behalf or for the benefit of the Borrower (or on such other date as the Bank may stipulate) and the subsequent Instalments to be paid at regular successive intervals of one (1) month until the full amount of the Non-Revolution Loan and all interest thereon shall have been fully paid and satisfied and including all such sums and monies as are or may become payable by the Borrower under this Agreement and/or the Security Documents to be created and/or additional security which may hereafter be created and in particular (but without limiting the generality of the foregoing) all the costs charges expenses and other sums and moneys mentioned in Section 11.10 hereof.

AND (BUT WITHOUT PREJUDICE TO THE PROVISIONS HEREINBEFORE APPEARING) until such time as the Borrower shall commence to make payment of the Instalments, the Borrower undertakes that he will, without notice from the Bank, pay to the Bank interest at the Prescribed Rate calculated on daily rests on every sum advanced to or on such amount of the Non-Revolution Loan as might have been disbursed or otherwise howsoever payable by the Borrower under this Agreement (whether the same shall form part of the Non-Revolution Loan or otherwise howsoever) from the date on which the sum in question shall first be advanced or paid out by the Bank on the 1st day of every month commencing from the date on which such sum shall first be advanced or paid out as aforesaid and upon full disbursement of the Non-Revolution Loan.

Provided Always That the Bank shall be at liberty and is hereby expressly and irrevocably authorised by the Borrower to advance or pay the whole of the Non-Revolution Loan or such part or parts thereof to the Builder Developer Contractor Architect or such other persons responsible for or concerned with the construction of the Property or to the Vendor or to a Bank or financial institution or to such other person as the Bank shall deem appropriate at such times in such manner by such amounts and upon such contingencies and conditions as the Bank may ~~in its absolute discretion~~ decide and it is hereby expressly acknowledged agreed and confirmed by the Borrower that all advances and payments to such aforesaid person or persons shall for all purposes whatsoever be deemed to be and form part of the monies secured by and owing under this Agreement and the acknowledgement or receipt of such aforesaid person or persons shall be as good and sufficient and effective as if the same had been made or given by the Borrower personally.

AND it is hereby further agreed and declared that the Borrower's covenant to repay the Non-Revolution Loan shall include always the additional terms and conditions that are specifically set out in Schedule C hereto and Schedule E.

Section 2.01C

Covenant To Pay (Revolving Term Loan)

In consideration of the Bank hereby granting or making available or agreeing to grant or to make available or continuing to grant or to make available to the Borrower the Revolving Term

Loan and paying or advancing the same to the Borrower or to such other person as the Bank shall deem appropriate (the payment whereof the Borrower expressly and irrevocably authorises the Bank to make) at the time and in the manner as the Bank may in its ~~absolute~~-discretion deem fit, and upon the Security Party executing the Security Documents and providing the security, the Borrower hereby covenants and undertakes that he will on demand pay to the Bank the sum of Ringgit Malaysia in the principal amount as stated and referred to as "**the Revolving Term Loan**" in Schedule D annexed hereto, lent to or advanced for the benefit of the Borrower by the Bank for a fixed loan tenure together with the interest thereon at the rate prescribed thereunder above the Bank's Base Lending Rate calculated on daily rest on the daily outstanding balance of the Borrower's Revolving Term Loan account on the basis of a 365-day year for the actual number of days elapsed (hereinafter referred to as "**the Prescribed Rate**" which expression shall include where and when applicable such other rate as may from time to time be substituted therefor in the manner hereinafter provided) and until the expiry of the fixed tenure as aforesaid, will repay the Revolving Term Loan and all sums of money which are now or shall from time to time or at any time hereinafter be due or owing by the Borrower solely or jointly with any other person firm or company and whether as principal or surety or which the Borrower may be or become liable to the Bank anywhere on banking account or any other accounts current or otherwise or in any manner whatsoever including the balance for the time being owing for or in respect of cheques, bills, notes, drafts or other negotiable instruments accepted paid or discounted for and on behalf of the Borrower either alone or jointly with another or others or for any other payments loans credit or advances made to or for the use or accommodation or on behalf of the Borrower whether alone or jointly with another or others pursuant to or in respect of or under any guarantee or letter of credit given established or opened by the Bank for the Borrower or any contracts for the forward delivery of goods bills or specie or in respect of any other banking facilities whatsoever whether or not given upon or under any trust receipts or other security whatsoever or otherwise howsoever, together with interest thereon at the Prescribed Rate on daily rests basis, commission discount and all other banking charges and all costs charges and other expenses which the Bank may charge in respect of any of the matters aforesaid or which the Bank may pay or incur in registering and in perfecting the present security that has been created and under this Agreement and/or the Security Documents to be created and/or additional security which may hereafter be created or in enforcing or obtaining payment of such monies or in paying any expenses of outgoings whatsoever in respect of or insuring repairing maintaining managing or realising the Property or in defending prosecuting or otherwise howsoever taking part in or attending at (whether on watching brief as observer or otherwise howsoever) any action enquiry hearing suit or other proceedings whatsoever affecting the Property and also all other payments and sums hereinafter mentioned or stipulated and other usual bankers' charges.

AND if when the said account or accounts current or otherwise shall be closed by demand as aforesaid or by the death of the Borrower (or where the Borrower shall be more than one person by the death of any one of them) a balance shall be owing to the Bank by the Borrower so long as the same or any part thereof shall remain owing pay to the Bank interest thereon at the Prescribed Rate with daily rests computed from the time when such balance shall have been ascertained.

PROVIDED ALWAYS THAT the Bank shall be at liberty and is hereby expressly and irrevocably authorised by the Borrower to advance or pay the whole of the Revolving Term Loan or such part or parts thereof to the Builder Developer Contractor Architect or such other persons responsible for or concerned with the construction of the Property or to the Vendor or to a Bank or financial institution or to such other person as the Bank shall deem appropriate at such times in such manner by such amounts and upon such contingencies and conditions as the Bank may ~~in its absolute discretion~~ decide **AND IT IS HEREBY EXPRESSLY ACKNOWLEDGED AGREED**

AND CONFIRMED by the Borrower that all advances and payments to such aforesaid person or persons shall for all purposes whatsoever be deemed to be and form part of the monies secured by and owing under this Agreement and the acknowledgement or receipt of such aforesaid person or persons shall be as good and sufficient and effective as if the same had been made or given by the Borrower personally.

AND it is hereby further agreed and declared that the Borrower's covenant to repay the Revolving Term Loan shall include always the additional terms and conditions that are specifically set out in Schedule D hereto and Schedule E (if applicable).

ARTICLE III

SECURITY

Section 3.01 **Assignment**

As security for the repayment of the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan referred to in Section 2.01A and/or Section 2.01B and/or Section 2.01C hereof (as the case may be), now or hereafter from time to time outstanding and owing to the Bank under or relating to or in connection with the same and the payment and satisfaction of the Indebtedness to the Bank and of all other monies payable or agreed to be paid by the Borrower, the Borrower shall provide or continue to provide or cause to be provided to and in favour of the Bank, the securities and guarantees (if any) specified in Section 6 of Schedule A hereto, the Letter(s) of Offer and any other Loan Agreement and for such purposes, shall execute in favour of and deliver to or cause to be executed in favour of and delivered to the Bank the Security Documents set out in Section 6 of Schedule A hereto and in particular, shall simultaneously with the execution of this Agreement execute or cause to be executed in favour of and deliver to the Bank by the Borrower and/or the Security Party an absolute assignment to the Bank of the full and entire of the Borrower's and/or the Security Party's rights title and interests in and to the Property under and pursuant to the Related Documents together with the Borrower's and/or the Security Party's right of enforcement thereof or thereunder upon the terms and conditions therein contained (hereinafter called "**the Assignment**") **PROVIDED ALWAYS** that notwithstanding the Assignment hereinbefore to be executed by the Borrower and/or the Security Party or any other provision of this Agreement, the Borrower shall also undertake and cause the Security Party to undertake to continue to observe perform and be bound by all whatsoever conditions covenants and stipulations therein on the part of the Borrower and/or the Security Party expressed and contained in the Related Documents.

Section 3.02 **Existing Security Documents**

The Borrower hereby acknowledges that the securities and guarantees (if any) referred to in Section 7 of Schedule A hereto, all the Letter(s) of Offer and any other Loan Agreement are existing in favour of the Bank for better securing the repayment and satisfaction of the Indebtedness

by the Borrower to the Bank and the Borrower's due performance and compliance with all the Borrower's other obligations under or relating to the Facility and that such existing securities and guarantees shall not be prejudiced, impaired, diminished or otherwise affected by this Loan Agreement or the agreements, deeds, letters, guarantees, documents and instruments specified in Section 6 of Schedule A hereto, all Letter(s) of Offer and any other Loan Agreement but shall continue to be valid, binding and enforceable.

Section 3.03 **Prohibition Against Other Security Interests**

- (a) During the continuance of this Agreement the Borrower shall not without the prior written consent of the Bank create or cause to be created any form of mortgage, charge, assignment, debenture, pledge, lien or permit to exist any caveat or prohibitory order or any security interest or other encumbrance over the Property or any part or portion thereof or otherwise howsoever deal with the Property.

- (b) The Loan Agreement shall be without prejudice to any security already given by the Borrower and/or the Security Party to the Bank whether the same be for securing repayment of the moneys hereby secured or any other moneys covenanted to be paid herein and whether such security is taken as additional or collateral security or otherwise howsoever.

Section 3.04 **Covenant To Provide Further Security**

The Borrower shall at the request of the Bank and at the Borrower's own cost and expense charge to or deposit with the Bank the stocks and shares which are now legally or beneficially owned or which may hereafter be acquired or belong to the Borrower, the Borrower's assets or business, movable and immovable property and/or the documents of title of any and all immovable properties now or hereafter vested in the Borrower for any tenure or, at the Bank's request, cause to be charged to or deposited with the Bank all other stocks, shares, assets, movable and immovable property and/or the documents of title to any other immovable property by way of further and additional security for the repayment and payment of moneys hereby secured or any other moneys owing to the Bank and not hereby secured. Such mortgage, charge, assignment, transfer, deposit or agreements shall be prepared by or on behalf of the Bank at the cost of the Borrower and to contain all such terms and conditions for the benefit of the Bank as the Bank may reasonably require.

Section 3.05 **Liens And Other Securities Not Affected**

Nothing herein shall prejudice or affect any lien to which the Bank is entitled or any securities which the Bank may from time to time hold for or on account of the monies hereby secured or any part thereof or for other monies hereby secured or any part thereof or for other monies owing to the Bank nor shall anything herein contained operate so as to merge or otherwise prejudice or affect any bill of exchange promissory note draft trust receipt guarantee mortgage charge lien or other security which the Bank may from time to time have for any monies intended to be hereby or otherwise secured or any right or remedy of the Bank thereunder.

Section 3.06

Continuing Security

The Borrower hereby agrees and declares that the security created by this Loan Agreement and the Security Documents and the Assignment is expressly intended to be and shall be a continuing security for the payment of all outstanding monies whatsoever now or hereafter from time to time due and owing and payable to the Bank by the Borrower whether alone or jointly and severally with another or others and whether as principal or surety under the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Loan (as the case may be), until all amounts outstanding herein including contingent liabilities have been fully settled by the Borrower and/or the Security Party and/or the guarantor and the expired guarantees/bonds/indemnities, documentary or other credits or any instruments whatever from time to time entered into by the Bank for the account of the Borrower have been returned to the Bank, notwithstanding that the Borrower may at any time or times cease to be indebted to the Bank for any period or periods and notwithstanding that the account or accounts of the Borrower with the Bank may from any cause whatsoever cease to be a current account or accounts and notwithstanding any settlement of account or accounts or otherwise and notwithstanding any change by amalgamation or otherwise which may be made in the constitution of the Borrower and/or the Security Party or the Bank or the bankruptcy or liquidation of the Borrower and/or the Security Party, whether voluntary or compulsory.

Section 3.07

Custody Of Related Documents / Other Documents

The Bank shall have the custody and possession of the Borrower's and/or the Security Party's Original set of the Related Documents and of all other documents evidencing any right or title in the Property or any benefits or rights annexed appurtenant or relating thereto or in any way connected therewith so long as any monies shall be owing by the Borrower to the Bank under the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan (as the case may be) and during the continuance of this Agreement and/or the Security Documents and the Assignment and the Borrower shall deposit and/or shall procure the Security Party to deposit all whatsoever documents evidencing any title to or right in the securities offered to the Bank.

Section 3.08

Issue Of Separate Document Of Title Or Separate Strata Title

Upon issuance of a separate document of title or separate strata title to the Property by the relevant governmental authorities, the Borrower shall take and undertake to cause the Security Party to take, at his own cost and expense and upon being so required to do by notice in writing from the Developer and the Bank, a transfer of the Property and execute a First Legal Charge under the National Land Code 1965 over the separate document of title or separate strata title to the Property in favour of the Bank; such Charge to be in the Bank's standard format and contents (with such variations thereof as the Bank may require), in favour of the Bank to secure the repayment to the Bank of the Indebtedness payable and owing by the Borrower to the Bank under and by virtue of this Agreement and/or the Security Documents and the Assignment for the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan, as the case may be.

Section 3.09 **Power Of Attorney**

For the consideration aforesaid the Borrower hereby irrevocably agrees and covenants with and undertakes to the Bank to execute and cause the Security Party to execute in favour of and deliver to the Bank a valid and registrable power of attorney in the form and substance prescribed by the Bank (hereinafter referred to as “**Power of Attorney**”) to enable the Bank to exercise more readily the rights, remedies and powers conferred upon the Bank in respect of the Property.

Section 3.10 **Validity Of Agreement**

This Agreement shall remain in full force and effect until and unless the whole of the Indebtedness secured by the Property together with interest thereon and all the other monies payable to the Bank hereunder are paid in full.

Section 3.11 **Further Assurance**

The Borrower shall from time to time and at any time, whether before or after the security hereby constituted shall have become enforceable, execute and do and cause to be executed and done by the Borrower and or the Security Party all such transfer, assignments, assurances, acts and things as the Bank may require for perfecting or further assuring the security intended to be hereby constituted and for facilitating the realisation of the security created hereby and charged and the exercise by the Bank of all the powers, authorities and discretions hereby conferred on the Bank and the Borrower shall also give all notices, orders and directions which the Bank may think expedient. For such purposes, a certificate in writing signed by or on behalf of the Bank to the effect that any particular transfer, assignment, assurance, act or thing required by it is required by it shall be conclusive evidence of that fact.

ARTICLE IV

COVENANTS IN RESPECT OF PROPERTY

Section 4.01 **Compliance With Provisions Of Related Documents**

The Borrower covenants with the Bank that the Borrower shall and also ensure that the Security Party shall, during the continuance of this Agreement and the Security Documents and the Assignment:-

- (i) observe and perform all the covenants, undertakings and stipulations contained in the Related Documents including the Sale and Purchase Agreement on the part of the Borrower and/or the Security Party to be observed and performed and at all times hereafter save harmless and keep the Bank indemnified against all claims demands actions penalties legal proceedings costs and expenses which may be brought or made against or incurred by the Bank by reason or on account of the non-observance of all or any of the terms agreements and provisions on the part of the Borrower and/or the Security Party contained in the Related Documents and the Sale and Purchase Agreement or otherwise;
- (ii) pay to the Developer/Vendor or the Joint Management Body or the Management Corporation constituted under the National Land Code or the Strata Titles Act or such other relevant or related enactments, as the case may be all service charges and maintenance fees payable in respect of the Property and pay and contribute towards the insurance premium, if any mentioned in the Related Documents and in particular in the Sale and Purchase Agreement and other fees costs and outgoings and all and every sum or sums of money mentioned therein and for this purpose to pay such deposits as may be reasonably required as security for such payments. In default whereof it shall be lawful for but not obligatory upon the Bank to pay the same or any part thereof;
- (iii) comply with all the conditions express or implied relating to or affecting the Property as well as the provisions of any Act of Parliament Ordinance enactment or rule or law for the time being in force and of any rules regulations or orders made thereunder;

Section 4.02 Custody Of Title Documents

Upon the issuance of the separate document(s) of title/ strata title(s) to the Property by the relevant governmental authorities, the Borrower shall deliver or shall cause the Security Party to deliver to the Bank the issue document(s) of title/strata title(s) to the Property and let or shall cause to let the Bank have the custody and possession of the issue document(s) of title/strata title(s) to the Property so long as this Agreement shall remain enforceable and the parties hereby agree that insofar as the law shall permit, the application of Section 244(2) of the National Land Code shall be restricted to instances where the production of any document is required for purposes of any action or matter initiated or instituted by the Government or any governmental authority department or officer and not where such document is required for any purpose or to effect any transaction conducted or initiated by the Borrower and/or the Security Party AND nothing contained or expressed in the said Section 244(2) shall be construed as or deemed to be consent by the Bank.

Section 4.03 Payments Of Outgoings

The Borrower acknowledges that notwithstanding that the Bank shall at any time or from time to time hold the Property as beneficial owner by virtue of the Assignment and/or be registered as the chargee in pursuance of Section 3.08 hereof, the Borrower shall, and hereby expressly agrees covenants and undertakes and shall also procure the Security Party to agree covenant and undertake:-

- (i) to be responsible for and to pay to the Government or any local or other authority all existing current and future charges dues and outgoings whatsoever whether by way of fines premia assessments rates quit rents stamp duty registration or any other charges fees or impositions whatsoever and howsoever which are now or any time hereafter be payable in respect of the Property or in connection with the issue of any document of title or strata title to the Property and produce to the Bank the receipts for all such payments as aforesaid. In default whereof it shall be lawful for but not obligatory upon the Bank to pay the same or any part thereof and all monies expended by the Bank together with interest thereon at the rates calculated and charged herein by the Bank from the date of such payments by the Bank shall be recoverable from the Borrower and paid on demand being made by the Bank.
- (ii) to indemnify the Bank against all claims demands actions fines penalties and legal proceedings whatsoever made against or charged or imposed upon the Bank by the Government or any local or other authority or any person or body or corporation whatsoever arising from or in connection with any act or omission done or omitted to be done by any person whomsoever in or on or in respect of or pertaining to the Property.

Section 4.04 **Dealings With Security**

The Borrower shall not and also cause the Security Party not to transfer sell charge or otherwise howsoever deal with the Property or any part thereof or any interest therein or make the same subject to any burden charge encumbrance liability or lien whatsoever or make or allow to be made any application for the surrender of the Property or any part thereof or any interest therein or make or allow to be made any application for the alteration of the category of land use in respect of the Property or for rescission removal or amendment of any condition or restriction affecting the Property without the written consent of the Bank first had and obtained.

Section 4.05 **Leasing And Possession**

The Borrower shall not and also cause the Security Party not to lease let out or grant or allow to be leased or grant any licence or otherwise howsoever part with or allow to be parted with the possession or make or allow to be made or accept the surrender of any lease whatsoever of or in respect of the Property or any building fixture structure crops or plants thereon or any part thereof to any person firm or company without the consent in writing of the Bank first had and obtained, ~~which consent may be given or refused without assigning any reason therefor either absolutely or on such terms and conditions as the Bank deems fit and the decision of the Bank shall be final and conclusive.~~

Section 4.06 **Demolition Of Or Improvement On Building**

The Borrower shall not and also cause the Security Party not to alter pull down or remove any building or fixtures now erected or at any time hereafter be erected on or affixed to the Property or any part thereof without the consent in writing of the Bank first had and obtained and shall forthwith replace or make good the same in the event of any such alteration pulling down or removal made without the Bank's consent. Where it is intended that there is to be erected any new building or buildings on the Property or that the facilities herein are to be utilised for the purposes thereof the Borrower shall complete or cause to be completed the erection of such building or buildings in accordance with the duly approved plans or permissions therefor or such amendments thereof. The Borrower will at all times indemnify and keep indemnified the Bank against all proceedings costs and expenses claims and demands whatsoever in respect of and arising out of any contravention by the Borrower and /or the Security Party of such permission or approval plans.

Section 4.07 **User Of Building And Land**

On receipt of a notice in writing from the Bank that in the opinion of the Bank any user by the Borrower or such Security Party of the Property or any part thereof or any building thereon whether by reason of over-crowding or for any other reason whatsoever is calculated to affect adversely the security of the Bank, discontinue or cause to discontinue such user forthwith.

Section 4.08 **Licence**

Notwithstanding anything in this Agreement contained, it is hereby declared that the Borrower and/or the Security Party shall during the continuance of the Assignment retain possession of the Property as the licensee of the Bank and has no other right, and within seven (7) days after his licence to occupy the Property has been terminated by a written notice by the Bank, the Borrower and/or the Security Party will give immediate vacant possession of the Property to the Bank or to such person or persons as the Bank may direct.

Section 4.09 **Repairs And Maintenance**

The Borrower and/or the Security Party shall during the term of this Agreement keep any building and structure now standing or which may hereafter be erected on the Property and all fittings and fixtures therein and hereby charged in good and tenable repair and condition and comply or cause to comply with all notices or orders served on the Borrower and/or the Security Party by any competent authorities in respect of repairs sanitary installation sewerage road-making or otherwise. The Borrower will or cause to permit the Bank or its agents at all reasonable times of the day to enter into or upon the Property and all buildings thereon to examine the state and condition thereof and will forthwith repair and make good all defects and wants or reparation of which a notice in writing shall be given to the Borrower and/or the Security Party by the Bank. In default whereof it shall be lawful for and the Bank may at its discretion enter upon the Property hereby assigned from time to time with or without workmen, servants and agents in order to repair

and keep in repair the said building, structure or fixture without becoming liable as chargee in possession and all monies expended by the Bank with interests thereon shall be repaid by the Borrower on receipt of a notice demanding such expenses and such expenses until it is repaid shall be a debt due and the Borrower shall pay interests at the Prescribed Rate and default rate for the time being payable hereunder.

Section 4.10 **Right Of Inspection**

The Bank and its agents and workmen shall be at liberty at all reasonable times of the day to enter into the Property and into any building or structure now erected or at any time hereafter be erected on the Property and may have access to any fixtures thereon and to view and inspect the condition or repair thereof **PROVIDED HOWEVER** that if the Bank should enter and repair the same it shall not be liable as an assignee/chargee in possession.

Section 4.11 **Restrictions To Use Of The Property**

The Borrower shall not and also cause the Security Party not to use any building upon the Property or suffer the same to be used for purposes other than those for which the same has been built nor to store or bring upon the Property hereby assigned any articles of a specially combustible inflammable or dangerous nature nor to do or permit or suffer to be done anything by reason whereof any policy or policies of insurance referred to in this Agreement may be rendered void or voidable. Upon receipt of notice in writing from the Bank that in the opinion of the Bank any user by the Borrower and/or the Security Party of the Property thereby assigned under Section 3.01 hereof or any part thereof or any building thereof whether by reason of overcrowding or for any reason whatsoever is calculated to affect adversely the security of the Bank the Borrower shall forthwith discontinue such user and/or cause the Security Party to do so likewise.

Section 4.12 **Consolidation**

Any restriction against consolidation shall not apply to the security created hereunder and it is hereby agreed by the Borrower and/or the Security Party that unless the Bank otherwise agrees the security created hereunder and under the Security Documents shall not be discharged except on payment by the Borrower of not only all monies secured hereby but also all monies secured by any other charge or security document created by the Borrower and/or any Security Party as security for the Operating Overdraft Facility and/or the Non-Revolver Loan and/or the Revolver Term Loan or otherwise.

Section 4.13

Compliance With Title Conditions

Upon the issuance of separate document(s) of title/strata title(s) to the Property by the relevant governmental authorities, the Borrower shall and also cause the Security Party to observe and comply or cause to observe and comply with any conditions covenants restrictions and category of land use express or implied, binding the Property or building erected or to be erected hereafter or otherwise howsoever in respect of the Property and will not do or omit to do or suffer to be done or omitted any act matter or thing in or in respect of the Property or any part thereof which shall contravene the provisions of any statutory law and rules made thereunder now or hereafter affecting the same. In default whereof it shall be lawful for but not obligatory for the Bank to take such steps and measures necessary to ensure compliance and non-contravention by the Borrower and/or the Security Party of any statutory law enactment by-laws and rules made thereunder now or hereafter affecting the Property and all monies expended by the Bank with interests thereon at the rates charged by the Bank from the date of such payments by the Bank shall be repaid by the Borrower on demand of the same being made by the Bank. Any interests payable hereunder shall be calculated and charged in accordance with the provisions herein. The Borrower shall at all times hereafter indemnify and keep indemnified the Bank against all claims, demands, actions, proceedings, costs and expenses in respect of any such act matter or thing done or omitted to be done in contravention of such provisions.

Section 4.14

Information On Matters Affecting Security

The Borrower shall give and also cause the Security Party to give to the Bank within seven (7) days of the receipt of the notice of the same full particulars of any notice or proposal for a notice or order or proposal for an order given or issued or made to the Borrower and/or such Security Party in respect of the Property or any part thereof by or on behalf of any planning local government public health sanitary housing or other authority and produce or cause to produce such notice to the Bank and also shall without delay and within the period prescribed by such notice take or cause to take all reasonable and necessary steps to comply with the provisions of such notice or order to safeguard and preserve the Property or any part thereof or the title or ownership thereto and also may on the Borrower's and/or the Security Party's own accord or shall at the request of the Bank and at the Borrower's cost make or join or cause to make or join with the Bank in making such objections or representations against or for in respect of any such proposal or such notice or order as the Bank shall deem expedient.

Section 4.15

Inspection And Valuation

The Borrower and/or the Security Party hereby irrevocably authorise the Bank to inspect and/or value the Property at such intervals as the Bank ~~shall in its absolute discretion may~~ decide by any valuer and/or professional consultant appointed by or acceptable to the Bank or any person of the Bank's choice ~~at the Borrower's sole costs and expenses~~. The Borrower authorises or shall cause the Bank or its agents and servants to be authorised by the Borrower and/or the Security Party at all times and upon having given to the Borrower or, where appropriate, the relevant Security Party not less than twenty four (24) hours' prior notice to inspect the Property and the sites and the works and construction (if any) thereon, the progress thereof and any relevant records and

documents, and for that purpose to enter upon the Property and any lands upon which the same may be and to make inventories and records thereof and if the Bank shall desire to have the Property and/or such land, building or structure which the Property forms part of, valued and/or to have the adequacy of structural and other works (if any) on the Property and/or such land, building or structure which the Property forms part of confirmed. In the event such valuation or inspection reveals that the forced sale value of the Property is lower than that at the date hereof or has been adversely affected the Bank shall ~~have the absolute discretion~~ be entitled to require the Borrower within fourteen (14) days from the date of the notice from the Bank to charge, pledge, mortgage or deposit with the Bank the Borrower's stocks and shares, assets, moveable property and/or the issue document of title, if any, or all immovable properties vested in the Borrower of such value as the Bank may from time to time require or for such tenure as the Bank so requires by way of further and additional security for the repayment of the Indebtedness.

Section 4.16 Cultivation

In addition to and not in derogation of the agreements and stipulations implied, the obligations imposed and the rights created by law, custom and this Agreement, the Borrower expressly agrees covenants and undertakes and shall also procure the Security Party to agree covenant and undertake, where applicable the following:-

- (i) during the term of this security the Borrower and/or the Security Party will ensure that the Property is maintained and cultivated in a proper and workmanlike manner and follow the methods of good husbandry and until the security herein created be fully satisfied and discharged the Bank shall at all reasonable times be at liberty to enter upon the Property to view and inspect the state of maintenance of cultivation;
- (ii) the Borrower and/or the Security Party will ensure that the Bank shall be at liberty to employ a visiting agent or agents or any other person or persons as may be authorized by the Bank from time to time with reasonable notice given to the Borrower and/or the Security Party to enter into and inspect the Property and into any building or structure now or at any time hereafter erected thereon and may have access to any fixture thereon and to view and inspect the condition or repair thereof and to make a report thereon ~~at the costs and expenses of the Borrower~~ provided however that if the Bank should enter and repair the same it shall not be liable as a chargee in possession;
- (iii) during the term of this security the Borrower and/or the Security Party will ensure that the Property is kept clean, weeded and free from lallang and other undergrowth, in default whereof it shall be lawful for but not obligatory upon the Bank to employ labourers, or workmen, for the purposes of keeping the Property clean weeded and free from lallang and other undergrowth PROVIDED ALWAYS that nothing in this Section contained and no act of the Bank, its servants or agents done, in pursuance of the provisions of this Section shall render the Bank liable as a chargee in possession.

ARTICLE V**INSURANCE**Section 5.01 **Insurance In Joint Names**

The Borrower shall during the term of this Agreement and/or the Security Documents and the Assignment always keep the Property building fixture or structure whatsoever now or at any time hereafter erected on or affixed to the Property properly insured against loss or damage by fire, lightning, tempest, flood, riot, civil commotion, malicious acts and against such other risks as the Bank may from time to time require up to the full insurable value thereof to the satisfaction of the Bank in the joint names of the Borrower and/or the Security Party and the Bank with such insurance company as may from time to time be nominated by the Bank and will deposit the policy or policies of such insurance with the Bank as assignee and will from time to time pay the premium thereon and deliver the receipts for the same to the Bank.

In addition to and not in derogation of the agreements and stipulations implied and the obligations imposed and the rights created by law custom and this Agreement and/or the Security Documents and the Assignment, the Borrower will if so required by the Bank at the cost and expense of the Borrower insure and keep insured the whole of the Property thereon of an insurable nature against loss or damage by fire and such other risks and contingencies of whatsoever nature for such amount in such names and with such insurers and through such agencies as the Bank may from time to time stipulate.

Section 5.02 **Insurance Renewal**

If default is made in effecting maintaining or renewing any such insurance as aforesaid it shall be lawful for but not obligatory upon the Bank at the cost and expense of the Borrower to effect maintain or renew any such insurance as aforesaid as the Bank may think fit.

Without prejudice to the provisions of this Section (and whether or not the Borrower shall be in default as aforesaid) it is agreed that if the Bank shall in its ~~absolute~~ discretion consider it desirable or expedient the Bank shall be at liberty and is hereby expressly authorised by the Borrower to effect maintain or renew any such insurance as aforesaid as the Bank may think fit at the cost and expense of and for the Borrower.

Section 5.03 **Conflicting Insurance**

Save and except at the request or with the consent of the Bank, the Borrower shall not, and shall cause the Security Party not to effect or keep on foot any insurance against any risk in respect

of the said building fixture structure property and effects where the Bank or the Borrower and/or the Security Party has effected or kept on foot any such insurance as aforesaid.

Section 5.04 **Application Of Insurance Money**

The Bank may ~~at its discretion~~ require all monies received on any insurance of the said building fixture structure property and effects whether effected by the Bank or by the Borrower and/or the Security Party to be applied in or towards making good the loss or damage in respect of which the monies are received or at the option of the Bank in or towards the discharge of any monies secured hereby and the Borrower and/or the Security Party shall hold all monies so received on such insurance in trust for the Bank and the Bank may receive and give a good discharge for all such monies.

Section 5.05 **Life Policy Or Mortgage Insurance Policy**

The Bank may from time to time and at any time hereafter require the Borrower to take up and maintain a life assurance policy or any other policy guaranteeing the repayment of all the monies hereby secured or any part thereof whether absolutely or on the happening of a contingency and to assign the said policy and all benefits and advantages thereunder to the Bank as further security for all monies hereby secured and in default by the Borrower of the taking up and maintaining of such policy and assigning the same as and when required, the Bank may in its discretion take up and maintain such policy guaranteeing the repayment of all monies hereby secured or any part thereof on such terms as the Bank may think fit, and all costs and expenses incurred by the Bank in taking out and maintaining the said policy shall become payable by the Borrower to the Bank with interests thereon at the Prescribed Rate and default rate and until payment shall be assigned on the Property.

ARTICLES VI

GOVERNMENT ACQUISITION

Section 6.01 **Government Acquisition**

In the event that the Property or any part thereof shall at any time become the subject matter of or be included in any notice notification or declaration concerning or relating to acquisition by the Government or any governmental authority or any enquiry or proceedings in respect thereof or if any government or governmental authority shall condemn, nationalise, seize or otherwise expropriate all or any substantial part of the Property or shall have assumed custody or control of the Property or shall have taken any action for the bankruptcy of or levied execution against the Borrower and/or the Security Party, the Borrower and/or the Security Party shall forthwith inform

the Bank of the same and shall forward to the Bank a copy or copies of any such notice notification or declaration as soon as the same shall be delivered to or served on the Borrower and/or the Security Party.

Section 6.02 **Power To Engage Advisers**

The Bank shall be entitled to engage such advisers and agents (including but not limited to solicitors and valuers) as it may think fit for the purposes of appearing or attending at or advising upon any enquiry or proceedings affecting concerning or relating to any such acquisition, expropriation or any of the matters referred to in Section 6.01 hereof at the expenses of the Borrower.

Section 6.03 **Application Of Compensation Moneys**

All monies received as or by way of compensation in respect of any of the matters referred to in Section 6.01 shall be applied in or towards the discharge or repayment of any monies or liability secured by this Agreement and the Borrower shall, and hereby declares that he and/or the Security Party will hold all such monies if paid to and received by him and/or the Security Party in trust for the Bank and the Borrower and/or the Security Party agrees and confirms that the Bank may receive and give a good discharge for all such monies.

ARTICLE VII

EVENTS OF DEFAULT

Section 7.01 **Events Of Default**

The Bank may ~~at its absolute discretion and~~ at any time demand for the immediate repayment of the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan, as the case may be and ~~without prejudice to the generality of the foregoing~~ the Bank may (without any legal obligation so to do) by written notice to the Borrower and/or the Security Party declare that the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan, as the case may be shall be cancelled whereupon ~~the same shall be cancelled and~~ the Bank shall cease to be under any commitment to the Borrower, ~~and the~~ The total aggregate principal amount outstanding under the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan, as the case may be together with interest thereon and all other sums payable under this Agreement and/or the Security Documents and the Assignment ~~to shall~~ be forthwith due and payable, whereupon the same shall become so payable and the Borrower and/or the Security Party shall provide cash cover on demand for all contingent liabilities of the Borrower to the Bank and for all notes or bills accepted endorsed or discounted and all bonds guarantees indemnities documentary or other credits or any instruments whatsoever

from time to time entered into by the Bank for or at the request of the Borrower on the occurrence of any of the following events of default, namely:-

- (i) if the Borrower and/or the Security Party fails to pay or default in payment on the due date any monies whatsoever and howsoever payable on its due date or if due on demand when demanded by virtue of the provisions herein contained or contained in the Security Documents whether formally demanded or not; or
- (ii) if the Borrower and/or the Security Party fails to discharge any obligation or liability payable by the Borrower from time to time due to the Bank under this Agreement and/or the Security Documents and the Assignment; or
- (iii) if the Borrower and/or any Security Party fails to observe or perform any of the agreements covenants stipulations terms and conditions on the part of the Borrower and/or the Security Party herein this Agreement contained, or under any other charge or Security Documents or in any notice or default in the due performance of any covenants conditions or obligations on its part to be performed or observed; or
- (iv) if any representation warranty or undertaking from time to time made to the Bank by the Borrower and/or any Security Party is or becomes incorrect or misleading in a material respect; or
- (v) if the Borrower and/or any Security Party shall cease or threaten to cease to carry on his business; or
- (vi) if the Borrower and/or any Security Party and/or any guarantor who is natural persons or individual shall die or become insane; or a petition shall be presented or an order be made or a resolution be passed for the winding up of the Borrower and/or any Security Party and/or any guarantor or the developer of the building (where applicable) in respect of the Property; or
- (vii) if a Receiver and/or Manager is appointed to receive and/or manage the assets undertaking or property of the Borrower and/or any Security Party and/or any guarantor or any part thereof pursuant to any charge or debenture or otherwise; or
- (viii) if the Borrower and/or any Security Party and/or any guarantor shall become bankrupt or allows any judgment against the Borrower and/or any Security Party and/or any guarantor to remain unsatisfied for a period of twenty-one (21) days; or
- (ix) if the Borrower and/or any Security Party and/or any guarantor commits an act of bankruptcy or is unable to pay his debts or suspends the payment of his debts, or enters into any composition or arrangement with or for the benefit of the creditors of the Borrower and/or any Security Party and/or any guarantor; or

- | (x) if the Bank decides in its ~~sole and absolute~~ discretion that the continuation of the Operating Overdraft Facility and/or the Non-Revolver Loan and/or the Revolver Term Loan, as the case may be, would be likely to be detrimental to its own position or otherwise undesirable or that its security hereunder is in jeopardy which opinion of the Bank shall be final and binding upon the Borrower; or

- (xi) if by reason of any change after the date of this Agreement in the applicable law, regulation or regulatory requirement or in the interpretation or application thereof of any governmental or other authority charged with the administration thereof it shall become unlawful for the Bank to comply with its obligations hereunder or to continue to make available the Operating Overdraft Facility and/or the Non-Revolver Loan and/or the Revolver Term Loan granted to the Borrower; or

- (xii) if any indebtedness of the Borrower and/or any Security Party and/or any guarantor becomes capable, in accordance with the relevant terms thereof, of being declared due prematurely be reason of a default by the Borrower and/or any Security Party and/or any guarantor in their respective obligations in respect of the same, or the Borrower and/or any Security Party and/or any guarantor fail to make any payment in respect thereof on the due date for such payment or if due on demand when demanded or the security for any such indebtedness becomes enforceable; or

- (xiii) if an event has, or events have occurred, or a situation exists, which could or might, in the opinion of the Bank prejudice the ability of the Borrower and/or the Security Party or the guarantor to perform their obligations hereunder and under the Security Documents and the Assignment in accordance with their respective terms; or

- (xiv) if this Agreement or any of the Security Documents and the Assignment shall be challenged with regard to its validity by any person; or

- (xv) it is or will become unlawful for the Borrower and/or any Security Party to perform or comply with any one or more of the obligations of the Borrower and, where applicable, the Security Party under this Agreement and/or the Security Documents and the Assignment respectively; or

- (xvi) any action, condition, consent or thing at any time required to be taken, fulfilled or done is not taken, fulfilled or done or ceases to be in full force and effect without modification or any licence, authorisation, approval, consent, order or exemption is revoked or withheld or materially modified or is otherwise not granted or fails to remain in full force and effect; or

- (xvii) if any of the parties to the Related Documents and in particular to the Sale and Purchase Agreement commits or threatens to commit a breach of any term, stipulation, covenant or undertaking contained in the Related Documents or the Sale and Purchase Agreement; or

- (xviii) if the Borrower and/or any Security Party commits a default of any provision of any agreement, or security documents, or both (as the case may be) relating to other accounts or loan facilities granted by other parties including the Bank to the Borrower and/or any Security Party or other party in which the Borrower and/or any Security Party is a guarantor, chargor or assignor; or
- (xix) if any other indebtedness of the Borrower and/or any Security Party becomes, or becomes capable in accordance with the relevant terms thereof of being declared due prematurely by reason of a default by the Borrower and/or such Security Party in its obligations with respect to the same, or the Borrower and/or any Security Party fails to make any payment in respect thereof on the due date for such payment or if due on demand when demanded or upon the security for any such indebtedness becoming enforceable; or
- (xx) if legal proceedings suit or action of any kind whatsoever (whether criminal or civil) be instituted against the Borrower and/or any Security Party; or
- (xxi) any present or future security on or over the assets of the Borrower or, where applicable, any Security Party becomes enforceable; or
- (xxii) if a distress execution or other process of a court of competent jurisdiction is levied or issued against any property or any part thereof of the Borrower and/or any Security Party and such distress execution or other process, as the case may be, is not discharged by the Borrower and/or such Security Party within seven (7) days from the date thereof; or
- (xxiii) if the Borrower or where applicable, any Security Party enters into or proposes to enter into, or there is declared by any competent court or authority, a moratorium on the payment of indebtedness or other suspensions of payments generally; or
- (xxiv) if a notice or proposal for compulsory acquisition of the Property or any of the assets of the Borrower or, where applicable, any Security Party or any part thereof shall be issued or made under or by virtue of an Act of Parliament or other statutory provision; or
- ~~(xxv) if in the absolute opinion of the Bank, the Borrower's account with the Bank (including any other accounts the Borrower may have with the Bank) is or has not been operated satisfactorily; or~~
- ~~(xxvi)~~(xxv) if there shall occur a material adverse change in the business, assets, financial position, of the Borrower or, where applicable, any Security Party; or
- ~~(xxvii)~~(xxvi) if any other event or series of events ~~whether related or not has or have occurred~~ which ~~in the opinion of the Bank (which opinion shall be final and binding upon the Borrower)~~ could or might affect or prejudice the ability or willingness of the Borrower or where applicable, of any Security Party to comply with all or any of its respective

obligations hereunder or where applicable, under any of the Security Documents and the Assignment.

Section 7.02 **Rights Of Bank On Default**

In addition to and not in derogation of and without prejudice to the Bank's right to demand immediate repayment of the Indebtedness and outstanding sums due and payable to the Bank at any time and irrespective of whether or not any of the events stipulated in Section 6.01 and/or Section 7.01 and/or Section 9.01 hereof shall happen, it is agreed that if a breach or default pursuant to Section 7.01 or Section 9.01 hereof or if any of the events stipulated in Section 6.01 and/or Section 7.01 and/or Section 9.01 hereof shall happen, the Bank may at its ~~sole and absolute~~ discretion cancel the Operating Overdraft Facilities and/or the Non-Revolving Loan and/or the Revolving Tem Loan (whether or not theretofore disbursed or utilised) and/or declare and demand the Indebtedness and outstanding sums due and payable to the Bank and all other sums payable under this Agreement and/or the Security Documents and the Letter of Offer to be immediately due and payable; whereupon the Bank shall be entitled forthwith to take such action (whether on its own accord or through its agent(s)) as may be appropriate against the Borrower and/or the Security Party, including action to sue and institute by way of civil suit for the recovery of the Indebtedness and outstanding sums due and payable to the Bank either before, after or concurrently with the action to enforce any of the Security Documents and to apply any credit balance standing to any account of the Borrower with any office or branch of the Bank and in whatever currency towards satisfaction of the Indebtedness and outstanding sums.

Section 7.03 **Rights Of Bank On Property**

In amplification and not in derogation of the provisions of Sections 7.01 and 7.02 hereof, the Bank shall be entitled to exercise such rights as the Bank may have under the Assignment and/or the Loan Agreement and/or any of the Security Documents or at law including but without limitation to all or any of the rights and powers following:-

- (i) the right to enter and take possession of the Property or any part or parts thereof to be registered as proprietor thereof;
- (ii) the right to let lease or demise the Property or any part or parts thereof for such tenancy or term of years at such rent and generally upon such terms as the Bank in its ~~absolute~~ discretion shall think fit;
- (iii) the right under appropriate land legislations affecting the Property to receive the rents and profits of the Property;
- (iv) the right and power to sell the Property by public auction or private treaty and assign the Property as the absolute unencumbered owner thereof at such price or prices and in such

manner as the Bank shall ~~in its absolute discretion~~ think fit free from any interest of the Borrower and/or the Security Party hereunder or otherwise and the right to bid at any such sale;

- (v) the right to sue and institute by way of civil suit or action for the recovery of the Indebtedness payable hereunder, whether before first realising the Property or otherwise or concurrently with any of the other rights and remedies of the Bank herein or at law.

AND the Borrower shall and hereby expressly agrees, covenants and undertakes to do and execute all acts, deeds, instruments and things which the Bank may require or stipulate for the propose of effecting and/or completing any thing and/or any transaction mentioned in this Section herein but without prejudice to the powers or rights of the Bank in its capacity as lender herein.

ARTICLE VIII

DEMANDS AND NOTICES

Section 8.01 Demand

Any demand for payment of the monies intended to be hereby secured and any notice or request or communication required or permitted to be given or made under this Agreement may be made to the Borrower and/or the Security Party by a notice in writing in such form as shall be decided by the Bank, requiring payment within seven (7) days from the date thereof and the said demand or any notice or request or communication by the Bank under this Agreement may be signed on behalf of the Bank by the Manager Assistant Manager or any other Officer of the Bank or by any solicitor or firm of solicitors purporting to act for the Bank and such notice shall be deemed to have been sufficiently or effectively given or made, delivered or served on the Borrower and/or the Security Party if it is left at the usual or last known place of residence or at the last known registered office of the Borrower and/or the Security Party or the address abovestated of the Borrower and/or the Security Party or at the usual or last known place of business of the Borrower and/or the Security Party or such other address as may from time to time be notified by the Borrower and/or the Security Party to the Bank for the purpose or at the Borrower's and/or the Security Party's address last known or sent by ordinary mail or prepaid registered post to any of such addresses and in the last mentioned case, the service shall be deemed to be made on the second (2nd) business day after posting ~~forty eight (48) hours after posting notwithstanding that it be delivered or returned undelivered and in proving such service, it shall be sufficient to prove that the notice was properly addressed and posted.~~

Section 8.02 Notice

- (1) Subject to the provisions of Section 8.01 above, any notice, demand or document and all other communications with respect to this Agreement may be in writing and shall be

- delivered personally, or by ordinary post or prepaid registered post, telex, facsimile or other electronic media to the party's address for service or at the last known address of the parties or such other addresses or facsimile transmission numbers as either party may have notified to the other party in writing.
- (2) All such notices demands and documents shall be in the English language or in the Malay language.
- (3) For proof of posting or despatch of such demand, notice or other document, it shall be sufficient to show:-
- (a) in the case of ordinary post or prepaid registered post, that the notice demand or document has been duly addressed and posted; or
- (b) in the case of facsimile transmission or telex or other electronic media, the notice demand or document was duly transmitted from the despatching terminal as evidenced by a transmission report generated by the despatching terminal.
- (4) All such notice demand or other document to be given under this Agreement and all other communications between the parties with respect to this Agreement shall be deemed to have been received by the addressee at the time stated below, whether or not it is in fact so received or received at all:-
- (a) by hand/personal delivery, at the time of despatch or delivery;
- (b) by post or prepaid registered post, on the second (2nd) business day after posting; or
- (c) by telex, facsimile transmission or other electronic media, at the time of transmission.

Section 8.03

Service Of Legal Process

Without prejudice to any other forms of service allowed in law, any service of legal process which includes any writ, summons, statement of claim and other pleadings as well as other forms of originating process, interlocutory application of whatever nature, affidavits orders and such other documents or any legal process in respect of or arising out of this Agreement which are required to be served under any statutes and the rules made thereunder may be effected on the Borrower by forwarding a copy of the writ, summons, statement of claim or other legal process by hand/despatch or by prepaid registered post to the address herein or to the Borrower's usual or last known address or place of residence or place of business and the same shall be deemed to have been duly

served and duly received by the Borrower at the time of delivery or ~~upon the expiry of forty-eight(48) hours after the time of posting of the same~~ a notice served by prepaid registered post shall be deemed to have been served at the time when the letter containing the notice would be delivered in the ordinary course of post and it shall be sufficient proof of service that the letter was properly addressed to the address herein or to the Borrower's usual or last known address or place of residence or place of business.

Section 8.04 **Change In Address**

- (i) No change in the address for service howsoever brought about shall be effective or binding on the Bank unless actual notice of such change has been given to the Bank.
- (ii) Any notice of change of address by the Bank may be given by way of advertisement of public notice in any daily newspaper and such notice shall take effect from the date specified in the notice.

Section 8.05 **Statement Of Account**

The Borrower and/or the Security Party hereby agrees that a statement of account of the Borrower signed by the Manager, Assistant Manager, Accountant or any other duly authorised officer of the Bank shall be conclusive proof of the Indebtedness of the Borrower.

ARTICLE IX

REMEDIES

Section 9.01 **Breach Of Covenant**

In the event of any breach by the Borrower and/or the Security Party of:-

- (i) the covenant to pay under Section 2.01A and/or Section 2.01B and/or Section 2.01C hereof and such breach occurring and continuing for a period of seven (7) days it shall be lawful for the Bank forthwith to give notice requiring the Borrower and/or the Security Party to remedy the breach within a period of seven (7) days from the date on which such notice is served or deemed to be served under the provisions hereof.

- (ii) any of the agreements covenants terms stipulations and undertakings herein provided and on the part of the Borrower and/or the Security Party to be observed and performed (other than the covenant to pay under Section 2.01A and/or Section 2.01B and/or Section 2.01C) occurring and continuing for a period of seven (7) days and if such breach is capable of being remedied it shall be lawful for the Bank forthwith to give notice requiring the Borrower and/or the Security Party to remedy the said breach within a period of seven (7) days from the date of such notice.

Service of the notice shall be effected in the manner provided in Section 8.01 hereof.

Section 9.02 **Proceeds Of Sale**

The amount received or realised by the Bank on a sale of the Property under the provisions hereof shall be applied in the manner provided in Section 9.03 hereof.

Section 9.03 **Application Of Proceeds Of Sale**

All monies recovered or received by the Bank hereunder or from any proceedings instituted or steps taken against the Borrower or where appropriate, any Security Party hereunder and under the Assignment and/or any of the Security Documents, shall be held by the Bank to apply the same; subject to statutory priorities, (if any):-

Firstly, in payment of quit rent taxes assessments fees lawful outgoings (if any) due and payable to the State Authority by the Borrower and/or such Security Party in respect of the Property or any other property charged to the Bank as security for the Facility under this Agreement and the Assignment and/or the Security Documents and/or and, so far as no person other than the Borrower and/or the Security Party was responsible therefor, any other outgoings payable to the State Authority or any local authority.

Secondly, in payment of or provision for all costs (including but not limited to the Bank's solicitors' costs on a solicitors and client basis), charges, expenses remuneration and liabilities incurred by the Bank, and every receiver and manager, attorney agent, delegate or other person appointed by the Bank in the execution of this Agreement and/or any of the Security Documents and the Assignment or in the performance of any duties or the exercise of any powers vested in it or him and in or about the realising of any security and all fees and charges payable to the Bank and all monies payable by the Borrower and/or the Security Party by way of indemnity or compensation under this Agreement and the Assignment and/or the Security Documents;

Thirdly, in or towards payment to the Bank of all interest costs commission and all other monies which are then accrued and due and owing to the Bank and remaining

unpaid under or in connection with or arising from the Facility or the balances thereof for the time being owing and in connection with this Agreement and the Assignment and/or the Security Documents;

- Fourthly, in or towards payment to the Bank of the principal sum due and owing and remaining unpaid to the Bank under the Facility and/or in connection with this Agreement and the Assignment or any or all of the Security Documents;
- Fifthly in or towards payment to the Bank of all other moneys due and remaining unpaid whatsoever under this Agreement and the Assignment or any or all of the Security Documents;
- Sixthly in payment of the surplus (if any) to the Borrower or any other person or persons entitled thereto.

PROVIDED ALWAYS THAT if the Bank shall be of the opinion that the security may prove deficient payments may be made to the Bank on account of principal before interest or the Bank may keep such monies in a non-interest bearing suspense account but such alteration in the order of payment or payment into a suspense account shall not prejudice the right of the Bank to receive the full amount to which it would have been entitled if the primary order of payment had been observed or any lesser amount which the sum ultimately realised from the security may be sufficient to pay.

Section 9.04 **Deficiency In Proceeds Of Sale / Personal Liability Of Borrower / Security Party**

Without prejudice to the rights of the Bank under Section 11.10 hereof and notwithstanding any provision herein, the Borrower hereby expressly agrees that if the amount received recovered or realised by the Bank from the sale of the Property under this Agreement and/or any other Security Documents and the Assignment after deduction and payment from the amount of the proceeds of sale so received recovered or realised of all fees (including the Bank's legal fees), dues, costs, rents rates taxes expenses and other outgoings on the Property, is less than the amount due to the Bank and whether in the process of such recovery or realisation the Bank is the purchaser of the Property or otherwise, the Borrower and/or the Security Party shall pay to the Bank the difference between the amount due and the amount so realised and until payment, the Borrower and/or the Security Party shall also pay interests on such balance at the Prescribed Rate and the default rate or at such rate or rates stipulated hereunder or from time to time stipulated by the Bank ~~on such balance as applicable as aforesaid with such rests and the decision of the Bank shall be final and conclusive and shall not be questioned on any account whatsoever.~~

Section 9.05

Indemnity

In addition and without prejudice to the powers rights and remedies by these presents conferred, the Borrower and/or the Security Party shall indemnify the Bank against all actions, proceedings, claims, demands, penalties any loss or expenses (including but not limited to legal expenses on a solicitor and client basis) which the Bank may sustain or incur as a consequence of any default in payment by the Borrower and/or the Security Party of any sum due hereunder, including (but not limited to) any interest or fees paid or payable on account of or in respect of any funds borrowed or deposits from third parties in order to maintain the amount in default or in liquidating or re-employing such funds or deposits or by reason or account of the non-observance of all or any of the stipulations on the part of the Borrower and/or the Security Party contained in the Related Documents including the Sale and Purchase Agreement or otherwise howsoever.

ARTICLE X**VARIATION**

Section 10.01

Variation Of Interest Rate

- (i) Notwithstanding the provisions relating to the rate of interest or the Prescribed Rate as herein provided in Schedule B and/or Schedule C and/or Schedule D hereto the Bank shall be entitled at any time and from time to time to vary (which variation may take place by either varying the Prescribed Rate or the Base Lending Rate or, if the term Base Lending Rate is no longer used or applicable, such rate of interest by whatsoever term or name called as representing the rate of interest quoted by the Bank for its best customers from time to time, or the Bank's matching cost of funds or the Bank's prevailing cost of funds or otherwise or the margin or spread or quantum of interest payable over and above the Base Lending Rate or the Bank's cost of funds or the percentage of interest itself in cases where the rate of interest is not calculated on the Base Lending Rate or the Bank's prevailing cost of funds or a combination of any one or more of the methods aforesaid or in the entire manner or mode of computation or charging including varying or changing the basis upon which the rate of interest as herein provided or the Prescribed Rate is arrived) ~~at its discretion~~ such rate of interest by serving a notice in writing on the Borrower of such its intention and such amended rate of interest shall be payable as from the date specified in the said notice ~~and such notice shall be conclusive and binding on the Borrower~~. Service of such notice shall be effected in the same manner as a notice demanding payment of the balance due as hereinbefore provided under Article VIII hereof.
- (ii) The Bank may give notice of change of rate of interest or Prescribed Rate to the Borrower but failure by the Bank to give notice shall not prejudice or have the effect of invalidating any such variation.

- (iii) Notice by the Bank may at the Bank's discretion be made by advertisement to the public in any one daily newspaper or by notice placed at the banking hall of the Bank's place of business and such notice shall take effect from the date specified in the said notice.

Section 10.02 **Variation Of Terms In The Agreement**

It is hereby expressly agreed and declared by the parties hereto that notwithstanding any provisions of this Agreement to the contrary:-

- (i) on conversion of the Operating Overdraft Facility and/or the Non-Revolver Loan and/or the Revolver Term Loan as provided hereunder through a mutual exchange of letters;
- (ii) on the variation or amendments of the provisions and terms of this Agreement by the addition of terms and conditions to Schedule E hereto or by the amendments by mutual consent of the parties hereto by means of a mutual exchange of letters;

such amendments and variations contained therein shall be deemed to become effective and the relevant provisions of this Agreement shall be deemed to have been amended or varied accordingly and shall be read and construed as if such amendments and variations had been incorporated in and had formed part of this Agreement at the time of execution hereof. In the event of any inconsistency between the provisions of this Agreement and the terms as varied or amended by the aforesaid exchange of letters or formal supplement documents, the letter shall prevail for the purposes of this Agreement.

ARTICLE IXA

PAYMENT

Section 9A.01 **Payment Provisions**

- (i) **Place of Payment**

All payments to be made hereunder and under the Security Documents by the Borrower shall be made by the Borrower in Ringgit Malaysia in immediately available funds on the due date or dates to the Bank at the place of business at Ground and Mezzanine Floors, Menara Boustead, No. 69, Jalan Raja Chulan, 50200 Kuala Lumpur or at any other address in Malaysia which the Bank may specify in writing from time to time save and except for Facilities in foreign currency in which case the payments may be made in the currency in which the Facilities were provided, subject to the compliance of any foreign exchange laws and regulations to which the Bank and the Chargor are subject.

(ii) Business Day

If any sum becomes due for payment under or pursuant to this Agreement or any of the Security Documents on a day which is not a Business Day such payment shall be made on the next succeeding Business Day unless such next succeeding Business Day falls in another calendar month in which event such payment shall be made on the Business Day preceding the due date.

(iii) Debit

The Bank is hereby authorised at any time ~~without notice~~ by notice in writing to the Borrower to debit any of the Borrower's account with the Bank in respect of interest, commission, charges, fees, normal bank charges and all other monies due and payable hereunder as well as debit the recovery fees and other amounts and sums of money payable by the Borrower. No such debiting shall be deemed to be a payment of the amount due (except to the extent of any amount available in any of the Borrower's current account) or a waiver of any event of default under any agreement relating to the Facility. If such debiting causes any of the Borrower's account to be overdrawn, interest shall be charged accordingly.

ARTICLE XB**CHANGE IN CIRCUMSTANCES**Section 10B.01 **Change In Applicable Law - Taxation**

If any change in any applicable law, regulation or official requirements or in the interpretation or application thereof by any governmental authority or court or tribunal or other authority charged with the administration thereof, or compliance by the Bank with any request from Bank Negara Malaysia or any central bank or other fiscal, monetary or other authority (whether or not having the force of law) binding upon the Bank in the jurisdiction in which it is formed or has its principal or lending office, or in which any action is required to be performed for the purposes of this Agreement and/or the Security Documents, or if any order judgment or direction or any other change in circumstances shall:-

(i) Tax and Withholding

subject the Bank to any tax, deduction or withholding of any nature with respect to the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan as the case may be (other than taxation on gains profits or income of the Bank); or

(ii) Basis Of Taxation

change the basis of taxation to the Bank of payments of principal, interest or other fees in respect of any of the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan (other than taxation on gains, profits or income of the Bank); or

(iii) Modification

impose, modify or deem applicable any reserve requirements against any assets of, deposits with or for the account of, or loans by the Bank; or

(iv) General

generally affect the operation or business of the Bank;

and the result of any of the foregoing is to increase the cost to the Bank of making, maintaining or funding any of the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan or to reduce the amount of any payment received or receivable by the Bank by any amount which the Bank deems material, then and in any such case, the following shall apply:-

(a) Notification

The Bank shall promptly notify the Borrower in writing of the happening of such event.

(b) Compensation

The Borrower and/or the Security Party shall pay to the Bank on demand such amount as will compensate the Bank for such additional cost or reduction in the amount calculated from the date such additional cost was first incurred or such reduction in amount suffered;

(c) Prepayment

The Borrower shall be entitled on giving the Bank one (1) month prior written notice to prepay in full with penalty the Indebtedness hereunder and under the Security Documents and shall pay an amount to be determined by the Bank its ~~sole and absolute~~ discretion representing any loss incurred by the Bank as a result of or arising from such prepayment and the costs to the Bank for having funded the Operating Overdraft Facilities and/or the Non-Revolving Loan and/or the Revolving Term Loan up to the date prepayment is made and on such prepayment the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan shall be cancelled;

(d) Suspension

Upon the Bank's receipt of the Borrower's notice of prepayment and pending the Bank's receipt of the Borrower's prepayment of the Indebtedness and outstanding sums, the Bank may at its ~~sole and absolute~~ discretion, but without any obligation so to do, suspend or refuse any further drawings under the Operating Overdraft Facilities and/or the Non-Revolving Loan and/or the Revolving Term Loan; and

(e) Certification

The certificate or confirmation of the Bank duly signed by any of its officers for the time being as to any additional amounts payable to it pursuant to this Section shall, save for any manifest error, be final and conclusive and shall be binding upon the Borrower and/or the Security Party.

Section 10B.02

Change In Applicable Law- Unlawful

Notwithstanding any provision to the contrary herein, in the event that by reason of the enactment of or the making of any change in applicable law regulation or regulatory requirement or in the interpretation or application thereof by any governmental authority or court or tribunal or other authority charged with the administration thereof binding upon the Bank in the jurisdiction in which it is formed or has its principal or lending office or in which any action is required to be performed by it for the purposes of this Agreement, or the making of any request or direction from or requirement of Bank Negara Malaysia or other fiscal or monetary authority (whether or not having the force of law) or by reason of any order judgment or direction or any other change in circumstances, the Bank shall be of the opinion that it has or will become unlawful or it is otherwise prohibited or prevented to extend any of the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan or it shall become unlawful for the Bank or the Borrower to perform or comply with all or any of their respective obligations or, in the case of the Bank, to maintain the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan, then notwithstanding any other provisions herein, the Bank shall be discharged from all its obligations to grant and make available or to continue to grant and make available the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan thereunder which shall forthwith be terminated and the Borrower and/or the Security Party shall (subject to the aforesaid change in applicable law or regulation or in the interpretation thereof) on demand forthwith repay to the Bank the Operating Overdraft Facility and/or the Non-Revolving Loan and/or Revolving Term Loan in full together with accrued interest thereon and any other amount payable thereunder to the Bank and together with the net cost to the Bank in funding or maintaining the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan up to and including the date such prepayment is actually received by the Bank and such additional amount to be determined by the Bank at its ~~sole and absolute~~ discretion representing any loss suffered by the Bank as a result of or arising from such prepayment and under the Security Documents free of any prepayment fee or charge and on such prepayment, such Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan shall be cancelled.

ARTICLE XC

TAXES AND WITHHOLDINGS

Section 10C.01 **Payments To Be Free And Clear**

All sums payable by the Borrower and, where applicable, any Security Party under this Agreement and the Security Documents shall be paid:-

- (i) free of any restriction or condition;
- (ii) free and clear of and (except to the extent required by law) without any deduction or withholding on account of any tax; and
- (iii) without deduction or withholding (except to the extent required by law) on account of any bank charges or commission or any other charges or deductions or any other amount, whether by way of set-off or counterclaim or otherwise.

Section 10C.02 **Grossing-Up Of Payments**

If (a) the Borrower or any other person on its behalf is required by law to make any deduction or withholding on account of any such tax or any other amount from any sum paid or payable by the Borrower and/or any Security Party to the Bank under this Agreement and/or the Security Documents or (b) the Bank (or any person on its behalf) or any Security Party is required by law to make any deduction or withholding from (except on account of tax on the overall net income of the Bank) any payment or calculated by reference to the amount of any sum received or receivable by the Bank under this Agreement and/or the Security Documents, the Borrower shall notify the Bank and/or cause the Security Party to notify the Bank of any such requirement or any change in any such requirement as soon as the Borrower becomes aware of it and shall:-

- (i) by giving the Bank thirty (30) days' prior written notice, be at liberty to prepay the outstanding sums due hereunder and under the Security Documents (including any such tax or other amount) without any penalty together with an amount to be determined by the Bank at its ~~sole and absolute~~ discretion representing any loss incurred by the Bank as a result of or arising from such prepayment and on such prepayment, the Operating Overdraft Facilities and/or the Non-Revolving Loan and/or the Revolving Term Loan shall be cancelled;
- (ii) pay any such tax or other amount before the date on which penalties attach thereto, such payment to be made (if the liability to pay is imposed on the Borrower and/or, where applicable, any Security Party) for the account of the Borrower or such Security Party or (if that liability is imposed on the Bank) on behalf of and in the name of the Bank;

- (iii) pay such additional sum to the extent necessary to ensure that, after the making of that deduction, withholding or payment the Bank received on the due date and retains (free from any liability in respect of any such deduction, withholding or payment) a net sum equal to what the Bank would have received and so retained had no such deduction, withholding or payment been required or made.
- (iv) as soon as the Borrower or, where applicable, the Security Party is required by law to do so, pay over to the relevant taxation or other authorities the full amount of the deduction or withholding which shall have been made by the Borrower and/or such Security Party and as soon as possible thereafter furnish to the Bank a copy of the official receipt in respect thereof in the name of the Bank issued by the relevant taxation or other authorities and such other documentation as the Bank may reasonably require for the purpose of the taxation authorities of the Bank.

Section 10C.03 **Continuing Obligations**

Without prejudice to the survival of any other agreement of the Borrower hereunder, the agreements and obligations of the Borrower contained in Section 10B.01 and 10B.02 above shall survive the payment in full of principal and interest hereunder and under any instrument delivered hereunder.

ARTICLE XD

TERMINATION AND VARIATION

Section 10D.01 **Time For Compliance Of Conditions**

If before the disbursement of the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan (as the case may be), the Borrower and/or the Security Party fails to perform and observe all or any of the covenants stipulations and conditions herein contained and on his part to be performed and observed within the time frame as specified by the Bank to the Borrower, the Bank may ~~at any time thereafter at its option~~ at the expiry of such time frame terminate this Agreement and rescind the Facility by notice in writing to the Borrower. Upon such termination and rescission, the Indebtedness of the Borrower must be discharged within seven (7) days of such termination and rescission.

Section 10D.02 **Discretion Of Bank On Disbursement**

The Bank has the absolute right by notice in writing to the Borrower to determine this

Agreement and to rescind the Facility, or to refuse to pay out the Facility or any part thereof if the principal sum or any part thereof or any interest thereon are in arrears or shall become immediately repayable hereunder and under the provisions of the Security Documents or any of them. Upon giving of such notice, (a) any part of the Non-Revolving Loan not thereto disbursed shall be cancelled, and any part of the Non-Revolving Loan already disbursed shall become due and immediately repayable on demand notwithstanding anything contained herein to the contrary and (b) all unutilised portion of the Operating Overdraft Facility and/or the Revolving Term Loan shall be cancelled and all utilised portion of the Operating Overdraft Facility and/or the Revolving Term Loan shall become due and immediately repayable on demand notwithstanding anything contained herein to the contrary.

Section 10D.03 **Discharge Of Indebtedness**

Subject to Section 11.14 but otherwise notwithstanding anything to the contrary contained herein, it is hereby agreed that upon satisfaction or discharge by repayment or otherwise of the whole of the Borrower's Indebtedness all the provisions herein contained shall cease to be of any effect but without prejudice to the Bank's rights and remedies against the Borrower and/or the Security Party in respect of any antecedent claim or breach of covenant.

Section 10D.04 **Right Of Bank To Recall Or Vary**

~~Notwithstanding any provisions contained herein, the~~ The Bank shall be entitled ~~at its absolute discretion to give notice in writing to the Borrower~~ to terminate this Agreement and/or the Security Documents and recall the Facility and demand the discharge by the Borrower of its Indebtedness at any time or to vary or amend the Facility granted herein or both ~~in such manner as upon such terms as the Bank may determine~~ due to the events of default specified in Article VII of this Agreement or in accordance to the terms herein contained.

ARTICLE XI

MISCELLANEOUS

Section 11.01 **Time And Waiver**

Time shall be the essence of this Agreement and the Security Documents but no failure or delay on the part of the Bank in exercising nor any omission to exercise any right power privilege or remedy accruing to the Bank upon any default on the part of the Borrower and/or the Security Party shall affect or impair any such right power privilege or remedy or be construed to be a waiver thereof or any acquiescence to such default; nor shall any waiver or action of the Bank in respect of any default or any acquiescence to any such default affect or impair any right power privilege or remedy of the Bank in respect of any other or subsequent default.

Section 11.02

Modification And Indulgence

The Bank may at any time and without in any way affecting the validity of the security, liabilities and obligations hereby created:-

- | (i) by notice in writing to the Borrower, determine, vary or increase the Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan granted to the Borrower or any Security Party and may open and/or continue any account or accounts current or otherwise with the Borrower or any Security Party at any branch or branches of the Bank;
- | (ii) by notice in writing to the Borrower, vary the number and/or the amount of the Instalments and/or the payments to be paid by the Borrower;
- (iii) grant to the Borrower and/or to any Security Party or any other surety or guarantor any time or indulgence or waiver or consent or release;
- (iv) renew any bills notes or other negotiable securities;
- (v) deal with exchange release or modify or abstain from perfecting or enforcing any securities or other guarantees or rights it may now or at any time hereafter or from time to time have from or against the Borrower and/or any Security Party or any other person ;
- (vi) release or discharge or compound or enter into any deed of composition with the Borrower and/or any Security Party or any other person or guarantor;
- (vii) at the request of the Borrower and/or the Security Party accept payment of any monies due or becoming due hereunder by such increased or reduced instalments as may be agreed or agree to suspend payments in reduction of principal or give such further time for payment or grant such indulgences as may be agreed;
- | (viii) by notice in writing to the Borrower, review, revise, amend or vary any of the terms and conditions of the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan granted to the Borrower or any other person hereunder or any or all of the Security Documents;
- (ix) have recourse to all or any remedies or means for receiving the monies hereby secured which may be available for such purpose at such time and in such order and manner as the Bank may think fit;

- (x) enter into any arrangement or deed of composition with the Borrower and/or any Security Party or accept any composition modifying the Bank's rights and remedies under this Agreement and/or the Security Documents.

Section 11.03 **Suspense Account And Proof Of Debt**

Any monies received for the account of the Borrower may be placed and kept to the credit of a suspense account for so long as the Bank may in its ~~absolute~~ discretion deem fit without any obligation in the meantime to apply the same or any part thereof in or towards the discharge of any monies or liabilities due or incurred by the Borrower to the Bank. Notwithstanding any such payment in the event of any proceedings in or analogous to bankruptcy or insolvency liquidation, composition or arrangement of the Borrower, the Bank may prove for and agree to accept any dividend or composition in respect of the whole or any part of the amount outstanding against the Borrower on such general balance in the same manner as if this security had not been created and no monies or dividends so received by the Bank shall be treated as received in respect of this security but the full amount hereby secured shall be payable by the Borrower until the Bank shall have received from all sources one hundred sen in the Ringgit on the ultimate balance outstanding against the Borrower. After the Bank has received such ultimate balance in full any claim on the part of the Borrower to any excess or any securities remaining with the Bank shall be a matter of adjustment between the Bank and the Borrower and/or any other person or persons laying claim thereto.

Section 11.04 **Right Of Set-Off**

The Borrower hereby agrees that the Bank may at any time ~~without notice~~ by notice in writing after an event of default or in making demand notwithstanding any settlement of account or other matter whatsoever combine or consolidate all or any of the then existing accounts of the Borrower including accounts in the name of the Bank or of the Borrower jointly with others (whether current deposit loan or of any other nature whatsoever whether subject to notice or not and whether in Ringgit or in any other currency) wheresoever situate and set-off or transfer any sum standing to the credit of any one or more such accounts in or towards satisfaction of any monies obligations and liabilities of the Borrower to the Bank whether such liabilities be present future actual contingent primary collateral several or joint. Where such combination set-off or transfer requires the conversion of one currency into another such conversion shall be calculated at the then prevailing spot rate of exchange of the Bank (as conclusively determined by the Bank) for purchasing the currency for which the Borrower is liable with the existing currency so converted.

Section 11.05 **Change In The Bank**

The security liabilities and or obligations created by this Agreement and/or the Security Documents shall remain in full force and effect and shall continue to be valid and binding for all purposes notwithstanding any change by amalgamation consolidation reconstruction or otherwise which may be made in the constitution of the Bank or of any company by which the business of the Bank may for the time being be carried on and shall be available by the company carrying on that business for the time being.

Section 11.06

Change In The Borrower

The security liabilities and or obligations created by this Agreement and/or the Security Documents shall continue to be valid and binding for all purposes whatsoever notwithstanding any change whether by reason of bankruptcy death incorporation amalgamation liquidation reconstruction or otherwise howsoever in the name style constitution or composition of the Borrower and the expression "the Borrower" in this Agreement include the persons for the time being deriving title under the Borrower and it is expressly declared that no change of any sort whatsoever in relation to or affecting the Borrower shall in any way affect the security liabilities and/or obligations created by this Agreement and/or the Security Documents in relation to any transaction whatsoever whether past present or future.

Section 11.07

Transfer Of Security

(i) The Borrower shall not assign and ensure all or any of the Security Party shall not assign any of his rights or obligations hereunder and/or under the Security Documents.

(ii) The Bank shall be at liberty ~~at any time with or without the concurrence of and with or without notice to~~ by notice in writing to the Borrower and/or the Security Party to transfer, sell, participate in secondary debt markets or assign all or any part of its rights interests and obligations or under this Agreement and/or the Security Documents and/or the securities by assigning to any other person(s) all or any part of the Bank's rights and benefits under this Agreement and/or the Security Documents or any securities to such person or corporation as it deems fit ~~and the costs and expenses of the Bank and the assignee of / transferee of and incidental to such assignment/transfer shall be paid by the Borrower and, upon~~ Upon such assignment the assignee shall assume ~~and be entitled to~~ the rights interests and obligations of the Bank comprised in this Agreement and/or the Security Documents as if the assignee had been a party to this Agreement and/or the Security Documents in place of the Bank and any recital or statement therein of the amount due to the Bank ~~under or~~ by virtue of these presents shall be ~~conclusive and~~ binding ~~for all purposes~~ against the Borrower and/or the Security Party. The Borrower and/or the Security Party hereby agree and authorize the Bank ~~may to~~ disclose to such potential assignee or transferee such information about the Borrower and/or the Security Party and his financial condition as shall have been made available to banks generally.

~~Any statement or recital in the documents of transfer of the amount then due to the Bank under and by virtue of this Agreement and/or the Security Documents shall be prima facie evidence that such amount is in fact due and shall be conclusive and binding on the Borrower and/or the Security Party.~~

Section 11.08 **Successors Bound**

This Agreement shall be binding upon the heirs liquidators receivers personal representatives and successors-in-title of the Borrower and/or the Security Party and on the successors-in-title and assigns of the Bank except that the Borrower and/or the Security Party may not assign his rights or obligations hereunder.

Section 11.09 **Construction Where Borrower / Security Party Not An Individual Person**

If the name of the Borrower and/or the Security Party hereinbefore inserted is that of a firm or limited company or association or other unincorporated body any of the provisions hereinbefore contained, which are primarily and literally applicable to the case of a single and individual person only shall be construed and take effect so as to give the Bank hereunder a security for the monies owing from that firm and every member thereof or from the limited company or corporation or committee or association or other unincorporated body as identical or analogous as may be with or to that which would have been given for the monies owing from a single individual if the Borrower and/or the Security Party had been a single individual and any monies shall be deemed to be so owing and secured by this Agreement and/or the Security Documents notwithstanding any defect informality and/or insufficiency in the powers of the Borrower and/or the Security Party to assign or charge the security and/or in the borrowing powers of the Borrower or in the exercise thereof which might be a defence as between the Borrower and/or the Security Party and the Bank. In the case of a limited company or other corporation any reference to bankruptcy shall be deemed to be a reference to liquidation/winding-up or other analogous proceedings and the monies owing as aforesaid and hereby secured shall be deemed to include any monies owing in respect of debentures or debenture stock of the limited company or other corporation held by or on behalf of the Bank. In the case of a firm, this Agreement and/or the Security Documents shall be deemed to be continuing security for all the monies owing on such account as herein mentioned from the persons carrying on business in the name of or in succession to the firm or from any one or more of such persons although by death retirement or admission of partners or other cause the constitution of the firm may have been in part or wholly varied.

Section 11.10 **Costs**

Notwithstanding that the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan may be cancelled or aborted for any reason whatsoever, the Borrower shall be liable to pay all costs fees and expenses whatsoever on a full indemnity basis in connection with or incidental to this Agreement and/or the Security Documents including the Bank's solicitors fees (on a solicitor and client basis) in connection with the preparation, execution, stamping, registration and perfection of this Agreement and/or the Security Documents, the assignment and the documents related thereto. If the principal sum outstanding from time to time under or in connection with the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan and hereby secured or any part thereof or any moneys payable or agreed to be payable under this Agreement and/or the Security Documents shall be required to be recovered through any process of law or any other recovery process as well as the contesting of and involvement in any legal proceedings of whatsoever nature by the Bank for the protection of or in

connection with any account(s) of the Borrower, or if the said money or any part thereof shall be placed in the hands of solicitors for collection, the Borrower shall pay (in addition to the monies then due and payable under the Operating Overdraft Facility and/or the Non-Revolver Loan and/or the Revolver Term Loan), the Bank's solicitors' fees (on a solicitor and client basis) together with interest thereon and any other fees and expenses incurred in respect of such collection to the date of full payment at such rate as the Bank may prescribe (both before and after judgment) and the account of the Borrower shall be debited accordingly. Legal cost and expenses are payable by the Borrower notwithstanding that any of the Facility may be cancelled/aborted at any time before completion of legal documentation.

Section 11.11 **Costs Stamp Duties And Registration Fees**

The Borrower and/or the Security Party shall promptly pay all stamp duties, registration fees or similar duties or taxes, fees or other charges payable on or incidental to the execution, issue, delivery, registration and enforcement or admissibility in evidence of this Agreement and/or the Security Documents (including any penalties for late payment thereof) and any documents related thereto and the Security Documents and shall reimburse the Bank for any such duties, fees or other charges paid by the Bank and shall indemnify the Bank against any liability with respect to or resulting from any delay or omission to pay such duties, fees or taxes. All moneys payable under this Agreement and/or the Security Documents and all moneys which shall be required to be recovered by process of law, or if any moneys payable hereunder shall be placed in the hands of solicitors for collection, the Borrower and/or the Security Party shall pay the Bank's Solicitors' fees (on a solicitor and client basis) and any other fees and expenses incurred in respect of such collection and the Borrower shall reimburse the Bank for such moneys paid by the Bank. The account of the Borrower shall be debited accordingly ~~without notice~~ by notice in writing to the Borrower and/or the Security Party and all such moneys if not sooner paid and remaining unpaid shall bear interest thereon at the Prescribed Rate or such other rates and shall be a sum secured under the Agreement and/or the Security Documents.

Section 11.12 **Expenditure Incurred By The Bank For And On Behalf Of The Borrower**

All moneys expended by the Bank hereunder from time to time for and on behalf of the Borrower and for its account shall bear interest thereon at the relevant rate from the date of such payments relating to insurance, quit rent, assessment, rates, taxes, repairs, legal costs and all other outgoings including any expenses incurred by the Bank to visit, inspect or report on the business of the Borrower by the Bank's agent and or consultants shall be recoverable from the Borrower and shall be repaid on demand. In default of payment, such moneys shall be deemed to form part of the moneys owing and to be secured hereunder and the accounts of the Borrower shall be debited accordingly.

Section 11.13 **Defects In Borrowing Powers**

Where any moneys are owing and secured by this Agreement and the Security Documents, they shall be deemed to be so owing and so secured notwithstanding any defect informality or insufficiency in the borrowing or other powers of the Borrower or any Security Party or in the exercise thereof which might have been a defence as between the Borrower or such Security Party and the Bank.

Section 11.14 **Consolidation And Combination Of Accounts**

- (i) Any provision under any law which has the effect of restricting the right of consolidation shall not apply to this Agreement and/or the Security Documents;
- (ii) It is hereby expressly agreed and declared that unless the Bank otherwise agrees, the Borrower and/or the Security Party shall not be entitled to redeem or require the release or discharge of any security given by the Borrower and/or the Security Party to the Bank and whether given now or hereafter except on payment by the Borrower and/or the Security Party of not only all moneys referred to herein but also all moneys whatsoever and howsoever owing or payable or due from the Borrower to the Bank under any other account whether as a borrower, guarantor, assignor or howsoever or otherwise with the Bank, and without prejudice to the generality of the foregoing, it is hereby expressly agreed and declared that unless the Bank otherwise agrees in writing, the Borrower's obligation under this Agreement and/or the Security Documents shall not be discharged except on payment:-
- (a) of all the indebtedness and outstanding sums; and
- (b) of all other moneys due and owing to the Bank by the Borrower under any account with the Bank whether or not and howsoever secured; and
- (c) of all moneys secured by any other security created by the Borrower or by any person through whom the Borrower claims in favour of or vested in the Bank.
- (iii) The Bank shall be entitled (but shall not be obliged) and ~~further reserves the right at any time at its absolute discretion and without notice~~ by notice in writing to the Borrower to combine or consolidate all or any of its accounts whether singly or jointly with others or any other person (of any nature whatsoever ~~whether subject to notice or not~~) wheresoever situate whether in or outside Malaysia with any liabilities and obligations owed or incurred by the Borrower to the Bank and set-off or transfer any sums standing to the credit of any one or more of such accounts in or towards satisfaction of monies obligations and liabilities of the Borrower due and payable to the Bank; notwithstanding that the credit balances on such accounts and the liabilities on any other accounts may not be expressed in the same currency and the Bank is hereby authorised to effect any necessary conversion at

the Bank's own rate of exchange then prevailing. ~~The Bank shall not be liable for any loss or damage arising from the operation of this sub-section.~~

Section 11.15 **Further Charge**

If the Borrower and/or the Security Party shall execute or create any further or subsequent assignment charge mortgage or encumbrance over the Property or any part thereof currently or hereafter assigned, charged in favour of any other corporation person or persons of which the Bank shall receive notice either actual or constructive, the Bank may on receiving such notice forthwith open a new or separate account with the Borrower in its books and if the Bank does not in fact open such new or separate account the Bank shall nevertheless be deemed to have done so at the time when the Bank received or was deemed to have received such notice and as from and after the time of notice all payments in account made by the Borrower to the Bank shall (notwithstanding any legal or equitable rule of presumption to the contrary) be placed or deemed to have been placed to the credit of the new or separate account so opened or deemed to have been opened as aforesaid and shall not go in reduction of the amount due by the Borrower to the Bank at the time of notice. PROVIDED ALWAYS that nothing in this Section contained shall prejudice the security which the Bank otherwise would have had hereunder for the payment of the moneys costs charges and expenses herein this Agreement referred to notwithstanding that the same may become due and owing or be incurred after the time of notice.

Section 11.16 **Interchange Or Substitution Of Facility**

The Bank may upon settlement of the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan hereto or any part thereof or at any time in its ~~absolute~~ discretion and without affecting the security hereby created, at the request of the Borrower and/or the Security Party grant further facilities, vary, interchange or substitute any of the Facility granted with other banking facilities to be granted to the Borrower and this Agreement and/or the Security Documents shall secure such further or interchanged or substituted facilities. The Bank retains the right to allocate a new account number or to transfer and/or consolidate the existing accounts of the Borrower with the Bank to a new account upon such variation, interchange or substitution without affecting the Bank's rights under this Agreement or any of the Security Documents.

Section 11.17 **Cessation Of Relationship**

The cessation of the relationship of banker and customer between the Bank and the Borrower howsoever brought about including the recall of the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan by the Bank, the demise of the Borrower and/or the Security Party, or the closure of account shall not in any manner affect the right of the Bank to capitalise interest which is payable on any outstanding balance.

Section 11.18 **Certificate Of Indebtedness**

It is hereby agreed that any admission or acknowledgement in writing by the Borrower or by any person authorised on his behalf or a judgement (by default or otherwise obtained against any of them) or a statement of account in writing showing the indebtedness of the Borrower to the Bank under the terms herein, or any Security Party, which is duly certified by an authorised officer of the Bank shall be binding and conclusive evidence against the Borrower and/or any Security Party for whatever purpose including as being conclusive evidence of the Borrower's indebtedness to the Bank in a court of law.

Section 11.19 **All Payments Received To Be Payment In Gross**

All moneys received by the Bank ~~from any person or estate~~ capable of being applied in reduction of the ~~indebtedness moneys covenanted to be paid~~ herein ~~incurred~~ shall be regarded ~~for all purposes~~ as payments in gross and if an adjudicating or receiving order ~~or any order~~ shall be made against any person liable to the Bank ~~or any order be made against any person liable to the Bank~~ or any order be made or any effective resolution be passed for the winding-up of any company liable to the Bank, the Bank may prove for the whole of the moneys then owing and no money received under such proof shall be considered as having been received and the full amount owing shall be payable until the Bank has received from all sources one hundred sen in the Ringgit Malaysia, and if the amount ultimately received by the Bank exceeds the amount of the ultimate balance owing to the Bank, the excess only over such ultimate balance shall be repaid to the person or party on whose account the same shall have been received by the Bank.

Section 11.20 **Currency Indemnity**

(i) **Currency of Account**

Ringgit is the sole currency of the account and for payment of all sums payable by the Borrower under or in connection with this Agreement and, where appropriate, the Security Documents, including damages.

(ii) **Recovery in Other Currency**

Any amount received or recovered in a currency other than Ringgit (whether as a result of, or the enforcement of, a judgement or order of a court of any jurisdiction, in the dissolution of the Borrower or otherwise) by the Bank in respect of any sum expressed to be due to it from the Borrower under this Agreement and, where appropriate the Security Documents shall only constitute a discharge to the Borrower to the extent of the Ringgit amount which the Bank is able, in accordance with its usual practice, to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

(iii) **Indemnification**

If that Ringgit amount is less than the Ringgit amount expressed to be due to the Bank under this Agreement and, where appropriate, the Security Documents, the Borrower shall indemnify the Bank against any loss sustained by it as a result or arising there from or in connection therewith. In any event, the Borrower shall indemnify the Bank against the cost of making any such purchase.

(iv) **Separate Indemnity**

These indemnities constitute a separate and independent obligation from the other obligations in this Agreement and the Security Documents, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by the Bank and shall remain in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Agreement and, where appropriate, the Security Documents or any judgment or order. ~~No proof of evidence of any actual loss may be required.~~

Section 11.21 **Indemnity On Sale And Purchase Agreement / Title Deed**

The Borrower shall at all times hereafter save harmless and keep the Bank indemnified against all actions, proceedings, claims, demands, penalties, costs and expenses which may be brought or made against or incurred by the Bank by reason or on account of the non-observance of all or any of the stipulations on the part of the Borrower and/or the relevant Security Party contained in the Sale and Purchase Agreement or the separate issue document of title or strata title upon its issuance or otherwise howsoever.

Section 11.22 **Independent Payment Obligations**

It is hereby expressly agreed and declared by the Borrower that each of its obligations to pay or to repay under any of the provisions of this Agreement, or where appropriate, any of the Security Documents constitute separate and independent obligations, shall give rise to separate and independent causes of action, shall apply irrespective of any waiver or indulgence granted by the Bank in respect of any other obligation, shall remain in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of some other obligation and may be relied upon and enforced by the Bank independently of or simultaneously with or without having to commence any other action under such obligations or under any of the Security Documents or having first exhausted any remedy or having first sold or disposed of any assets, properties or undertaking which may be provided as security to the Bank from time to time.

Section 11.23

Law

This Agreement and the Security Documents shall be governed by and construed in accordance with the laws of Malaysia but in enforcing this Agreement and/or the Security Documents, the Bank shall be at liberty to initiate and take action or proceedings or otherwise against the Borrower in Malaysia and/or elsewhere as the Bank may deem fit and the parties hereto hereby agree that where any actions or proceedings are initiated and taken in Malaysia they shall submit to the non-exclusive jurisdiction of the Courts of Malaysia in all matters connected with the obligations and liabilities of the parties hereto under or arising out of this Agreement and the service of any writ or summons or any legal process in respect of any such action or proceeding may be effected on the Borrower or the Bank pursuant to Article VIII hereof.

Section 11.24

Bank's Right To Commence Foreclosure And Legal Proceedings Concurrently

Notwithstanding any provision hereof, it is hereby expressly agreed that upon default or breach by the Borrower and/or any Security Party of any term covenant stipulation and/or undertaking provided in this Agreement and/or the Assignment and/or other Security Documents and on the part of the Borrower and/or Security Party to be observed and performed, the Bank shall thereafter have the right to exercise all or any of the remedies available whether pursuant to this Agreement and/or the Assignment and/or other Security Documents or by statute or otherwise and shall be entitled to exercise such remedies concurrently against the Borrower or any Security Party, including pursuing all remedies of sale or possession pursuant to this Agreement and/or the Assignment and/or other Security Documents and civil suit to recover all monies due and owing to the Bank PROVIDED THAT nothing herein contained shall be construed as imposing any obligation (whether at law or in equity) upon the Bank to exhaust its remedy to sell the Property before commencing any separate action or before enforcing any other remedies or exercising any other rights against the Borrower or any other Security Party; AND the Borrower hereby irrevocably and unconditionally agrees and consents to the Bank commencing separate proceedings, enforcing other remedies and exercising any other rights which the Bank may have against the Borrower or any other Security Party simultaneously or consecutively in any order as the Bank deems fit with or without having exhausted its right to sell or to proceed against the Property or to realise its security hereunder.

Section 11.25

Condition Of Discharge Or Release of Borrower

Any settlement or discharge between the Bank and the Borrower shall be conditional upon the security or payment to the Bank by the Borrower or any Security Party or any other person not being invalidated for any reason whatsoever or being avoided or refused or set aside by virtue of any provision or enactment or laws relating to bankruptcy insolvency or liquidation for the time being or from time to time in force or by virtue of any obligation to give effect to any preference or priority and the Bank shall be entitled to recover the value or amount of any such security or payment from the Borrower subsequently as if such settlement or discharge had not occurred.

Section 11.26 **Release of Documents**

Subject to Sections 4.12 and 11.14 hereto, upon repayment to the Bank of the Indebtedness and outstanding sums and all other moneys payable by the Borrower to the Bank, the Borrower and/or the Security Party shall be entitled to obtain the discharge and release of the Property or other assets and properties currently or hereafter charged, assigned or mortgaged to the Bank under this Agreement and/or the Security Documents from the Bank at the cost and expense of the Borrower. The Bank may in the circumstances stipulate that such discharge and release to be in the form as the Bank may consider appropriate.

Section 11.27 **Counterparts**

This Agreement may be executed in any number of counterparts, all of which taken together and when delivered to the Bank shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing on such counterparts.

Section 11.28 **Effective Date**

The parties hereto agree that this Agreement shall come into force on the date as stated in the preamble hereto irrespective of the diverse dates upon which they may have each executed this Agreement respectively.

Section 11.29 **Cumulative Remedies**

The rights remedies powers and privileges provided herein are cumulative and are not exclusive of any rights remedies powers and privileges provided by law.

Section 11.30 **Amendments and Supplemental/Additional Terms**

The terms of this Agreement herein may be added by addition of terms and conditions to Schedule E hereto and varied or amended by exchange of letters. In the event of any inconsistency between the provisions of this Agreement and the terms of Schedule E hereto the latter shall prevail for the purposes of this Agreement. The terms of this Agreement may also from time to time be varied or amended by an exchange of letters and such variation or amendment shall be effective without the necessity of having to enter into any formal instrument or supplemental document and the relevant provisions of this Agreement shall be deemed to have been amended or varied accordingly and shall be read and construed as if such amendments or variations had been incorporated in and had formed part of this Agreement at the time of execution hereof. In the event of any inconsistency between the provisions of this Agreement and the terms as varied or amended by the aforesaid exchange of letters or formal or supplemental documents, the latter shall prevail.

Section 11.31 **Severability**

Any term, condition, stipulation, provision, covenant, or undertaking contained herein which is illegal, prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such illegality, prohibition or unenforceability without invalidating the remaining provisions hereof and any such illegality, prohibition or unenforceability in any jurisdiction shall not invalidate or render illegal, void or unenforceable any such term, condition, stipulation, provision, covenant, or undertaking in any other jurisdiction.

Section 11.32 **Other Terms and Conditions**

The terms and conditions herein stated shall be in addition to and not in derogation of any specific agreement or arrangement with regard to each of the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan now or hereafter or from time to time subsisting between the Bank and the Borrower or any terms and conditions that may be specified in any Letter of Offer from time to time. In the event of any inconsistencies between the provisions of this Agreement and the Letter of Offer, the latter shall prevail.

Section 11.33 **Disclosure**

The Borrower hereby agrees that so long as the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan continues and/or as long as any moneys so due thereunder remain outstanding, the Bank is irrevocably authorised to disclose and furnish all relevant information relating to or arising from or in connection with the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan, this Agreement and the Security Documents and the Borrower or any Security Party, guarantor or surety or to the Central Credit Bureau, the Biro Maklumat Cek or such other authority or body established by Bank Negara Malaysia or such other authority having jurisdiction over the Bank or to any other body or authority or party to whom the Bank is associated with or from whom the Bank has obtained security in respect of any of the abovesaid Facility or to a potential assignee or other person proposing to enter into contractual arrangements with the Bank when requested to do so at any time and from time to time by the relevant person and pursuant to subpoena or other legal process or in connection with any action suit or proceeding relating to the Security Documents and for the purpose of Section 99(1)(a) of BAFIA, the Borrower hereby irrevocably consents to such disclosure and confirms that the Bank shall be under no liability for furnishing such information whether before on or after the date of this Agreement.

Section 11.34 **Valuation Of The Property**

The Borrower and/or the Security Party hereby authorises the Bank to value the Property annually or at such interval as the Bank ~~shall in its absolute discretion~~ may decide by any valuer or any officer of the Bank or any person of the Bank's choice ~~at the Borrower's sole cost and expense~~

and in the event such valuation reveals that the forced sale value of the Property is lower than that at the date hereof the Bank shall have the **absolute** discretion to require the Borrower within fourteen (14) days from the date of the notice from the Bank to charge, pledge, mortgage or deposit with the Bank the Borrower's stocks and shares, assets, movable property and/or the issue document of title, if any, or all immovable properties vested in the Borrower of such value as the Bank may from time to time require or for such tenure as the Bank requires by way of further and additional security for the repayment of the total amount owing for the time being under this Agreement.

Section 11.35 **Cross-Default**

Notwithstanding the provision relating to the repayment of monies advanced as hereinbefore provided, the Borrower hereby expressly agrees that if any sums shall be due from the Borrower to the Bank or any subsidiary or related company of the Bank from time to time or at any time or if the Borrower may be or become liable to the Bank or any subsidiary or related company of the Bank anywhere on banking account or any other account current or otherwise in any manner whatsoever or if default is made in any provisions of such accounts or in any other banking facilities granted by the Bank or any subsidiary or related company of the Bank to the Borrower or in any of the provisions herein, then and in such event, the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan (as the case may be) and all advances and interest herein together with all monies payable under such accounts or other facilities aforesaid shall immediately become due and payable and the security herein become immediately enforceable as security for all moneys and liabilities whatsoever now or hereafter from time to time owing or payable to the Bank or any subsidiary or related company of the Bank by the Borrower and/or the Security Party whether alone or jointly and severally with another or others and whether as principal or surety notwithstanding that the Borrower and/or Security Party may at any time or time(s) cease to be indebted to the Bank or any subsidiary or related company of the Bank for any period or periods and notwithstanding that the account(s) of the Borrower and/or Security Party with the Bank or any subsidiary or related company of the Bank may for any cause whatsoever cease to be a current account(s) and notwithstanding any settlement of account(s) or otherwise.

Section 11.36 **Section 62 Of BAFIA**

The consent of the Bank to this Agreement including the consent of the Bank to make, or continuing to make available the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan (as the case may be) is conditional upon, and subject at all times to, the representation of the Borrower that the restrictions contained in Section 62 of BAFIA are not applicable. If at any time during the currency of this Agreement and/or the Security Documents the Bank discovers that there had been an infringement of the section, or that the continued performance of this Agreement shall be in violation of the section, the Bank is entitled forthwith to exercise all of its rights contained in Article VII and Article IX hereof.

Section 11.37 **Covenant On Interest**

The covenant by the Borrower herein to pay interest (including capitalised interest and whether at the Prescribed Rate or such other rates) is an independent covenant and not ancillary or incidental to the covenant to repay the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan upon demand. It is hereby agreed that the covenant to pay such interest as aforesaid continues after judgment as well as before and that in event of judgment, this covenant shall not merge in such judgment, or with any rule, or law, regulating the award of interest after judgment.

Section 11.38 **Inconsistencies With Schedules**

It is hereby agreed and declared between the Borrower and the Bank that the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan shall, in addition to the terms and conditions herein, be subject to the special express terms and conditions (if any) set out in the Schedules hereto and, in the event of any conflict, discrepancies or variance, the special express terms and conditions set out in the Schedules hereto shall prevail.

Section 11.39 **Letter Of Offer**

- (i) The Borrower hereby acknowledges and declares that the Borrower has duly accepted the Letter of Offer and agreed to the terms and conditions thereof.
- (ii) The terms and conditions and other provisions of the Letter of Offer are hereby deemed incorporated mutatis mutandis as if specifically and expressly set out at length herein, and the Letter of Offer shall be deemed to form part of and be read and construed with this Agreement as if they were one document. In the event of any conflict or discrepancy between the provisions of this Agreement and the Letter of Offer, then unless otherwise expressly provided in writing, the provisions of the Letter of Offer shall prevail to bind the parties.
- (iii) Notwithstanding anything to the contrary express or implied in or by this Agreement or the Letter of Offer, the Bank shall be entitled from time to time and at any time to amend, modify or otherwise supplement the terms or conditions or provisions of all or any one or more of the Letter of Offer as the Bank may from time to time and at its **absolute** discretion deem fit.
- (iv) The Letter of Offer shall form part of the Security Documents to be created as herein provided.

Section 11.40 **Law Applicable**

This Agreement and the Security Documents shall be governed by and construed in accordance with the laws of Malaysia but in enforcing this Agreement and/or the Security Documents, the Bank shall be at liberty to initiate and take action or proceedings or otherwise against the Borrower and/or the Security Party in Malaysia and/or elsewhere as the Bank may deem fit and the parties hereto hereby agree that where any action or proceedings are initiated and taken in Malaysia they shall submit to the non-exclusive jurisdiction of the courts of Malaysia of competent jurisdiction in all matters connected with the obligations and liabilities of the parties under or arising out of this Agreement and/or the Security Documents.

Section 11.41 **Principal And Secondary Instruments**

IT IS HEREBY AGREED AND DECLARED THAT this Agreement and the Security Documents and the Assignment are instruments employed in one transaction to secure such principal sum as the ad valorem stamp duty paid and endorsed on the Original of this Agreement together with all interest thereon monies and liabilities covenanted or agreed to be paid or payable by the Borrower under or in connection with or arising from the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan within the meaning of Section 4(3) of the Stamp Act, 1949 and for the purpose of the said Section, this Agreement is deemed to be the **Primary** or **Principal** instrument and the other Security Documents and the Assignment are deemed to be the **Auxiliary** or **Secondary** instruments.

ARTICLE XII

DEFINITIONS

Section 12.01 **Definitions**

In this Agreement unless the context otherwise requires or unless it is otherwise expressly provided, the following expressions shall have the meaning respectively assigned to them hereunder:-

- (i) The term "Assignor" shall mean the person(s) named in Section 3 of Schedule A hereto and includes his heirs estate personal representative successors-in-title and permitted assigns;

- (ii) The term "BAFIA" shall mean the Banking and Financial Institutions Act, 1989 and includes all guidelines, regulations or rules made thereunder and amendments as may be made at any time and from time to time;

- (iii) The term “Bank Negara Malaysia” shall mean the Central Bank of Malaysia established under Section 3 of the Central Bank of Malaysia Act 1958 (Revised 1994) and include its successors-in-title;
- (iv) The term “the Bank” shall mean **THE BANK OF NOVA SCOTIA BERHAD (Company 308035-U)**, a company incorporated in Malaysia and having its registered office at Ground and Mezzanine Floors, Menara Boustead, No. 69, Jalan Raja Chulan, 50200 Kuala Lumpur and a place of business as stated in Section 1(c) of Schedule A hereto and includes its successors-in-title and assigns and such other entity, in which the Bank is merged or amalgamated or to which the Bank’s business or undertaking is transferred;
- (v) The term “Base Lending Rate” shall mean the rate of interest per annum from time to time stipulated by the Bank as its Base Lending Rate in Malaysia or if the term Base Lending Rate is no longer used or applicable, such rate of interest by whatsoever name called as representing the rate of interest quoted by the Bank for its best customers from time to time;
- (vi) The term “the Borrower” shall mean the person named in Section 2 of Schedule A hereto and includes his heirs, estate, personal representatives, successors-in-title and permitted assigns;
- (vii) The term “Business Day” shall mean a day on which commercial banks and the Bank are open in the State where the place of business of the Bank is located for transaction of business of the nature required or contemplated by this Agreement;
- (viii) The term “Facility” shall mean the Operating Overdraft and the Non-Revolving Loan collectively where both facilities are granted and where only one facility is granted, the Operating Overdraft Facility or the Non-Revolving Loan or the Revolving Term Loan, as the case may be, granted or made available or agreed to be granted or made available or to be continued to be made available by the Bank to the Borrower now or hereafter or from time to time in accordance with the terms and conditions set out in the Letter of Offer and this Agreement and includes any part or balance thereof to be paid or advanced by the Bank for the purpose(s) specified in the Letter of Offer and includes any addition, increase, substitution, interchanging, termination, reduction, restructuring, advances, reinstatement or other variation howsoever and whatsoever of such Operating Overdraft Facility, Non-Revolving Loan or the Revolving Term Loan;
- (ix) The term “Indebtedness” shall mean the aggregate of all monies whether principal, interests, default interest and/or additional interests, costs, charges, commission or otherwise outstanding or payable or agreed to be payable by the Borrower or any Security Party from time to time whether solely or jointly with any other person and whether as principal or surety and includes all liabilities and obligations whether present or future or actual or contingent for the repayment or payment of all monies by the Borrower or any Security Party in respect of or arising from the Operating Overdraft Facility and/or the

Non-Revolving Loan and/or the Revolving Term Loan and the Security Documents relating thereto;

- (x) The term “Letter of Offer” shall mean collectively the letter(s) of offer issued by the Bank and accepted by the Borrower annexed to this Agreement, and shall include any and such amendments, modification and supplements thereto from time to time, and any subsequent additional or supplementary or further letter(s) of offer or other document(s) whatsoever which amends, modifies or supplements the letter(s) of offer stated above (and includes, in the case of a supplementary or additional letter of offer in the form of a notification by the Bank where no acceptance is required from the Borrower, such supplementary or additional letter of offer);
- (xi) The term “month” shall mean a calendar month;
- (xii) The term “National Land Code” shall mean The National Land Code, 1965 and includes any statutory amendment or re-enactment thereof and all subsidiary legislation enacted thereunder;
- (xiii) The term “principal” shall include all sums and monies whatsoever advanced or paid to or on behalf of the Borrower by the Bank or otherwise howsoever payable by the Borrower to the Bank pursuant to this Agreement (whether or not the same shall form part of the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan) and the term "interest" shall include interest at the relevant Prescribed Rate or at such other rate or rates as the Bank may from time to time prescribe on all such sums and monies aforesaid and accordingly the expression "principal or interest" shall include all such sums and monies and interest thereon as aforesaid;
- (xiv) The term “Prepayment Sum” shall mean where applicable, such permitted prepayment sum as stated in the Letter of Offer;
- (xv) The term “Prescribed Rate” shall mean the respective rates of interest as stated in each Letter of Offer issued by the Bank and accepted by the Borrower from time to time as applicable to the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan respectively or such other rate of interest as may at any time or from time to time be prescribed by the Bank at its ~~sole~~ discretion with or without notice to the Borrower;
- (xvi) The term “the Property” shall mean the property/properties described in Section 4 of Schedule A hereto and/or in the Letter of Offer from time to time together with accessory parcel(s) (if applicable) and all buildings and fixtures erected or affixed or to be erected or affixed thereon or thereto and offered by the Assignor and/or the Security Party as security for payment of the Indebtedness under the Operating Overdraft Facility and/or the Non-Revolving Loan and/or the Revolving Term Loan;

- (xvii) The term "Ringgit Malaysia" and the sign "RM" shall mean the lawful currency of Malaysia;
- (xviii) The term "Security Documents" shall mean collectively all agreements, deeds, letters, guarantees, instruments and documents and such other security documents executed hereunder now and hereafter or from time to time by the Borrower and/or any Security Party alone or jointly or otherwise howsoever existing in favour of the Bank to secure the payment or repayment of the Indebtedness or in connection with the Borrower's Indebtedness (or any part thereof) and/or the Facility and/or the Borrower's obligation to the Bank under or in respect of or in connection with the Borrower's Indebtedness and/or the Facility (or any one or more of them or any part thereof and includes this Loan Agreement and/or other Loan Agreement, the Letter of Offer and the Assignment and Charge and without limiting the generality of the foregoing, includes the document set out in Section 6 of Schedule A hereto;
- (xix) The term "Security Interest" means and includes any mortgage or charge or lien (whether legal or equitable) pledge, caveat, by hypothecation, security interest, trust management or other encumbrance whatsoever;
- (xx) The term "Security Party" shall mean any party or person giving or providing or which shall thereafter from time to time give or provide any guarantee or security to secure the repayment of the Indebtedness or any part thereof and includes the Borrower where the Borrower is a party giving or providing security under the Security Documents;
- (xxi) The term "year" shall mean a period of 365 days;
- (xxii) The headings of this Agreement are inserted for convenience only and shall be ignored in construing the provisions of this Agreement.

Section 12.02

Interpretation

In this Agreement, unless there is something in the subject or context inconsistent with such construction or unless it is otherwise expressly provided:-

- (a) The expression "the Borrower" and "the Security Party" includes their respective personal representatives, heirs and successors-in-title and the expression "the Bank" shall include its successors-in-title, assigns and such other entity in which the Bank is merged or amalgamated or to which the Bank's business or under taking is transferred;
- (b) Words importing the masculine gender include feminine and neuter genders and vice versa;
- (c) Words importing the singular number include the plural number and vice versa;

- (d) Words applicable to natural persons include any body or persons company corporation firm or partnership corporate or unincorporated;
- (e) Where there are two (2) or more persons or parties included or comprised in the expressions “the Borrower” and/or “the Security Party” agreements covenants terms stipulations and undertakings expressed to be made by and on the part of the Borrower and/or Security Party shall be deemed to be made by or binding upon such persons or parties jointly and severally;
- (f) References herein to Articles and Sections are references to Articles and Sections in this Agreement unless otherwise specified;
- (g) The headings and sub-headings in this Agreement are inserted for convenience only and are to be ignored when construing the provisions of this Agreement;
- (h) Where an act is required to be done within a specified number of days after or from a specified date, the period is inclusive of and begins to run from the date so specified;
- (i) A period of a month from the happening of an event or the doing of an act or thing shall be deemed to be inclusive of the day on which the event happens or the act or thing is or is required to be done;
- (j) Unless otherwise stated, any reference to a time of the day shall be a reference to Malaysian time;
- (k) Any reference to statutes and the rules made thereunder includes all amendments which may be enacted from time to time;
- (l) Where the Borrower is a company, the provisions contained herein which are primarily and literally applicable to the case of natural persons shall be construed and take effect as if the Borrower were a company and shall bind all of its assigns and successors-in-title. Accordingly, any references herein relating to bankruptcy shall thereafter be references relating to the winding-up, liquidation, amalgamation or reconstruction, as the case may be, of the Borrower;
- (m) The Schedules hereto shall form an integral part of this Agreement and shall be taken, read and construed as essential part thereof;

- (n) Any reference to an agreement, contract or document includes any amendments or variations thereto from time to time and any other instrument executed supplemental thereto or in substitution thereof;
- (o) Any liberty or power or discretion which may be exercised or any determination which may be made hereunder by the Bank may be exercised or made in the Bank's absolute and unfettered discretion and the Bank shall not be under any obligation to give any reason therefor.
- (p) Where Operating Overdraft Facility only or Revolving Term Loan only has been granted to the Borrower all references to the Facility shall mean the Operating Overdraft Facility or the Revolving Term Loan, as the case may be and all references to the Term Loan shall be ignored and when a Non-Revolving Loan only has been granted to the Borrower, all references to the Facility shall mean the Non-Revolving Loan and all references to the Operating Overdraft Facility or the Revolving Term Loan shall be ignored.

Section 12.03

Schedule B, Schedule C, Schedule D and Schedule E

The Borrower hereby agrees that the additional terms and conditions contained in Schedule B and/or Schedule C and/or Schedule D and/or Schedule E, shall be in addition to and not in derogation of any term or condition hereinbefore contained and subsisting between the Bank and the Borrower or any terms or conditions that may be specified in the Letter of Offer given by the Bank to the Borrower from time to time or in any subsequent correspondence between the Bank and the Borrower.

Section 4

Particulars of the Property:

Section 5

The Related Documents:
[pursuant to Section 1.01 (ii)]

Section 6

The Security Documents:
[pursuant to Section 1.01(iii)]

Section 7

Existing Security Documents:
[pursuant to Section 3.02]

(state particulars of existing Letter(s) of Offer, Loan/Facility Agreement, Deed of Assignment, Power of Attorney, Charge, Guarantee and other Security Documents which have been previously created in favour of the Bank.)

SCHEDULE B

(Which is to be taken, read and construed as an essential part of this Agreement)

Nature of Facility: **OPERATING OVERDRAFT FACILITY**

Maximum aggregate amount:
(Principal sum) **Ringgit Malaysia**

()

Rate of Interest:
(Prescribed Rate)

Additional Terms and Conditions**1. Payment Of Interest**

The Borrower covenants and agrees that the Borrower shall without notice from the Bank pay interest at the relevant Prescribed Rate and where applicable, the default rate to the Bank on any amount outstanding on the Operating Overdraft Facility up to the date when such amount is fully repaid and settled to the Bank, calculated on the daily balance debited on the day as the Bank may prescribe of every calendar month, such interest to be payable monthly in arrears or at such other period as the Bank may prescribe and shall ~~without notice~~ be debited accordingly to the Borrower's account (unless the Bank shall decide otherwise). The interest is calculated on the basis of the actual number of days elapsed and based on a 365-day year.

2. Calculation Of Interest

- (i) Interest for the Operating Overdraft Facility shall be calculated on a daily rest basis as indicated in the Letter of Offer unless otherwise stated or agreed by the Bank and daily interest at the Prescribed Rate calculated on the daily outstanding balance of the Borrower's Operating Overdraft Facility account shall be payable on the Operating Overdraft Facility.
- (ii) The Borrower hereby agrees that the method or manner of calculation of interest payable hereunder shall be such method or manner as the Bank shall adopt from time to time, in the **absolute** discretion of the Bank and the decision of the Bank shall be final and conclusive ~~and shall not be questioned on every account whatsoever.~~

3. **Variation Of Interest Rate**

If the rate of interest chargeable shall be varied in the manner herein provided prior to or after the full disbursement/drawdown of the Operating Overdraft Facility, interest at the new rate shall be calculated on the Operating Overdraft Facility herein advanced on the date such amended or new rate of interest is imposed or takes effect.

4. **Capitalisation Of Interest**

Subject always to the provisions of the clause next following the interest on any principal monies for the time being hereby secured including capitalised interest shall be at the end of each day be capitalised and added for all purposes to the principal sum then owing and shall thenceforth bear interest at the Prescribed Rate and be secured and payable accordingly whether before or after a court judgement or demand for payment has been made on the Borrower and all the covenants and conditions contained in or implied by these presents and all powers and remedies conferred by law or by this Agreement and all rules of law or equity in relation to the said principal sum and interest shall equally apply to such capitalised arrears of interest and to interest on such arrears notwithstanding that the relationship of banker and customer between the Bank and the Borrower is terminated on demand or otherwise or ceased for any reason whatsoever.

5. **Capitalised Interest Excluded From Limit Of Principal Sum**

For the purpose of ascertaining whether the limit of the principal intended to be hereby secured under the Operating Overdraft Facility has been exceeded or not all accumulated and capitalised interest shall be deemed to be interest and not principal sum.

6. **Variation Of Dates For Payment Of Interest**

It is hereby expressly agreed and declared by the parties hereto that notwithstanding the provisions of Section 2.01A hereof, Clause 1 and Clause 2 of this Schedule herein, the dates therein and herein provided for the payment of interest may at any time and from time to time be varied at the ~~sole~~ discretion of the Bank and thereupon variation in the manner aforesaid, such amended dates shall be deemed to become effective and the interest payment dates shall be deemed to have been amended accordingly and shall be read and construed as if such amended dates had been incorporated in and formed part of this Agreement at the date of execution thereof.

7. **Default Rate**

As an independent covenant and in addition and without prejudice to the power rights and remedies by these presents conferred, if the Borrower shall default in the payment of the Operating Overdraft Facility howsoever and whenever due or fail to or neglects or omits or refuses to or does not pay any sum payable hereunder when due or the interest and without prejudice to the generality of the foregoing, any other moneys herein covenanted to be paid, or this Agreement is terminated for whatever reasons (whether before or after full disbursement of the Operating Overdraft Facility), the Borrower shall pay to the Bank interest at the Prescribed Rate together with default interest at such rate over and above the Prescribed Rate as may be stipulated by the Bank or at such other rates as the Bank may at any time or from time to time stipulate on the Operating Overdraft Facility and or the interest(s) or any other sum at that time due, or in arrears, calculated from the date of such default until the date of payment of the amount thereof together with a fixed administrative charge as the Bank may stipulate and the provisions of this Agreement and this clause shall apply to such increased interest referred to herein.

8. **Compound Interest**

The rights of the Bank to charge compound interest as conferred on the Bank by this Agreement shall subsist and continue to subsist notwithstanding the covenant by the Borrower to pay interest on daily rests basis, monthly in arrears and notwithstanding the issue and/or service of a demand for payment of monies or any of the monies intended to be hereby secured and/or notwithstanding that the relationship of banker-borrower between the parties hereto shall have ceased for any reason or by any cause whatsoever.

9. **Instruments Bearing Higher Interest**

When the payment of any monies hereby secured or intended so to be shall be further secured to the Bank by any bill of exchange, promissory note, draft receipt or other instrument reserving a higher rate of interest to be paid in respect thereof than that hereinbefore covenanted to be paid such higher rate of interest shall be payable in respect of such monies and nothing contained in or to be implied from these presents shall affect the right of the Bank to enforce and recover payment of such higher rate of interest or as the case may be the difference between such higher rate of interest and the rate of interest payable herein.

10. **Right To Convert Overdraft**

- (i) Both the Bank and the Borrower shall have the right to convert the utilised Operating Overdraft Facility whether in whole or in part into a Non-Revolving Loan or Revolving Term Loan by giving seven (7) days' notice in writing to the other party of such its intention **PROVIDED ALWAYS** that in the case of the Borrower giving such notice, such notice shall be subject to the written consent of

the Bank first had and obtained and subject to such further terms and conditions as the Bank may in its **absolute** discretion prescribe or decide.

- (ii) In all cases of conversion agreed upon between the Borrower and the Bank, such agreement shall not, unless the Borrower and the Bank otherwise agree (and only to the extent agreed upon), have the effect of varying or affecting the continuing operation of the provisions herein save that in the case of conversion of the whole of the Operating Overdraft Facility, the conversion shall only alter the nature of the account of the Borrower with the Bank.
- (iii) The Bank is entitled in its **absolute** discretion to withhold or refuse consent and in giving consent, the Bank may impose such conditions as it deems desirable.

11. **Further Advances**

The Bank may at its discretion from time to time at the request of the Borrower advance to the Borrower such further sum or sums of money beyond the limit hereinbefore mentioned as the Bank may deem fit and such sum or sums so advanced shall form part of the monies hereby secured.

12. **No Obligation To Make Further Advances**

Nothing contained herein shall be deemed to render it obligatory upon the Bank either at law or in equity to make or continue to make any advances or to afford any other accommodation or facilities whatsoever.

13. **Commitment Fee**

In addition to the interest payable, the Bank shall be entitled to debit a commitment fee of one per centum (1%) per annum (or at such rate as may from time to time be stipulated by the Association of Banks in Malaysia or such other regulatory body) on the unutilised portion of the Operating Overdraft Facility granted hereby against the account of the Borrower with the Bank at the end of each day and the same shall be capitalised and added to the principal sum then owing and shall thereafter bear interest at the Prescribed Rate and shall be secured and payable under this Agreement. It is further agreed between the Bank and the Borrower that all the covenants and conditions contained in this Agreement in relation to the principal sum and interest shall equally apply to the commitment fee and to such capitalised arrears of interest thereon.

14. **Periodical Review**

Notwithstanding the provisions herein contained the Borrower hereby agrees that the Operating Overdraft Facility granted herein to the Borrower shall be subject to periodical review but repayable on demand by the Bank at any time.

15. **Additional Interest On Excess Overdraft**

Notwithstanding anything hereinbefore contained it is hereby expressly agreed and declared by the Borrower that if the Borrower shall utilise the overdraft comprised in the Operating Overdraft Facility in excess of the limit approved by the Bank at any time hereafter and from time to time commencing on the date on which the same is made available to the Borrower the Borrower shall pay to the Bank additional interest on such part of the Operating Overdraft Facility as shall be utilised in excess by it at the end of each day at the rate of one per centum (1%) per annum above the Prescribed Rate or at such other rate as the Bank may at its ~~sole~~ discretion from time to time stipulate and until payment thereof the Borrower hereby expressly agrees that such additional interest shall be charged on the Property in addition to the principal sum secured by the said assignment and shall form part of the monies due under this Agreement.

16. **The Bank May Open New Accounts**

The Borrower hereby agrees that the Bank may close the Borrower's then current account or accounts and open a new account or accounts in lieu thereof at any time on receiving notice that the Borrower has encumbered any of its properties or assets or in the event of this security ceasing from any cause whatsoever to be binding as a continuing security on the Borrower, and no monies paid or carried to the credit of such new account or accounts shall be appropriated towards or have the effect of discharging any part of the monies owing under this security at the date such notice or at the time of this security ceasing to be so binding as a continuing security.

17. **Valuation Of The Property**

The Borrower hereby authorises the Bank to value the Property annually or at such interval as the Bank ~~shall in its absolute discretion~~ may decide by any valuer or any officer of the Bank or any person of the Bank's choice ~~at the Borrower's sole cost and expense~~ and in the event such valuation reveals that the forced sale value of the Property is lower than that at the date hereof the Bank shall have the ~~absolute~~ discretion to require the Borrower to within fourteen (14) days from the date of a notice from the Bank to charge, pledge, mortgage or deposit with the Bank the Borrower's stocks and shares, assets, movable property and/or the issue document of title, if any, or all immovable properties vested in the Borrower of such value as the Bank may from time to time require and for such tenure as the Bank so requires by way of further and additional security for the repayment of the total amount owing for the time being under this Agreement.

18. **Purpose Of Operating Overdraft Facility**

The Operating Overdraft Facility granted to the Borrower shall be for the purpose(s) set out in the Letter of Offer.

19. **Availability**

The Operating Overdraft Facility shall be available to the Borrower upon:-

- (i) the perfection and completion of all necessary documentation, legal or otherwise, satisfactory to the Bank; and
- (ii) there is no material adverse change to the Borrower's financial position.

20. **Date Of Termination**

Unless the Bank shall at its **absolute** discretion decide otherwise the Operating Overdraft Facility shall be terminated on the Borrower having attained the age of sixty (60).

SCHEDULE C

(Which is to be taken, read and construed as an essential part of this Agreement)

 Nature of Facility:

NON-REVOLVING LOAN

Amount :
 (Principal sum)

Ringgit Malaysia () only.

Rate of Interest:
 (Prescribed Rate)

Interest is payable at the rate of (%) per annum on daily rests.

Interest is to be calculated on a daily rests basis.

Monthly Instalment:

Repayable by approximately () monthly instalments of Ringgit Malaysia

Number of Instalments:

() monthly instalments.

Prepayment :

- (i) **PROVIDED ALWAYS THAT IT IS HEREBY EXPRESSLY AGREED THAT NOTWITHSTANDING ANY OTHER PROVISIONS FOR REPAYMENT OF THE NON - REVOLVING LOAN BY THE BORROWER**, in the event that the Borrower shall exercise his aforesaid right of prepayment for full settlement of the Non-Revolving Loan within () years from the date of full disbursement of the Non-Revolving Loan, the Borrower shall give to the Bank one (1) month prior notice in writing (or the payment of one (1) month's interest in lieu of notice) and further pay to the Bank a premium calculated at the rate of **per centum** (%) on the original amount of the Non-Revolving Loan or such other rate as the Bank may prescribe from time to time or **Ringgit Malaysia** (RM), whichever is higher.
- (ii) If the Loan is under "Zero Cost" Scheme of the Bank and in the event the Borrower shall exercise his aforesaid right of prepayment for full settlement of the Non-Revolving Loan within () years from the date of full disbursement of the Non-Revolving Loan, the Borrower shall give to the Bank one (1) month prior notice in writing (or the payment of one (1) month's interest in lieu of notice) and further pay to the Bank a premium calculated at the rate of **per centum** (%) on the original amount of the Non-Revolving Loan or such other rate as the Bank may prescribe from time to time or **Ringgit Malaysia** (RM), whichever is higher.
-

SCHEDULE C

Additional Terms And Conditions

1. **Monthly Instalment**

Without prejudice and without derogation to the Bank's right and remedies under this Agreement, the Borrower shall repay to the Bank the Non-Revolving Loan by the monthly Instalments in the manner and by such amount as is stipulated above including interest, the first Instalment to commence one month after full drawdown or at an earlier date to be determined at the ~~sole~~ discretion of the Bank.

2. **Payment of Interest**

The Borrower covenants and agrees that the Borrower shall without notice from the Bank pay interest monthly in arrears or at such other period as the Bank may prescribe at the relevant Prescribed Rate and where applicable, the default rate to the Bank on the Non-Revolving Loan and the Indebtedness thereunder, as from each date any amount thereunder is disbursed or the Non-Revolving Loan Indebtedness is incurred, up to the date when the Non-Revolving Loan Indebtedness is fully repaid and settled to the Bank on the basis of the actual number of days elapsed and based on a 365-day year.

3. **Calculation Of Interest**

- (i) Interest for the Non-Revolving Loan shall be calculated on a daily rest basis as indicated in the Letter of Offer unless otherwise stated or agreed by the Bank.
- (ii) The interest chargeable on any sum advanced or paid to or on behalf of or otherwise howsoever payable by the Borrower to the Bank under this Agreement (whether the same shall form part of the Non-Revolving Loan or otherwise) from the date on which the same shall have been advanced or paid to or on behalf of or for the benefit of the Borrower shall be calculated on the daily outstanding balance of the Borrower's account with the Bank and shall be deemed to be due forthwith upon such sum being advanced or paid as aforesaid.
- (iii) Until such time as the Non-Revolving Loan shall have been repaid in full, the Borrower shall pay to the Bank interest at the Prescribed Rate to be calculated on daily rests on every sum advanced to or howsoever payable by the Borrower under this Agreement (whether the same shall form part of the Non-Revolving Loan or otherwise howsoever) from the date on which the sum in question shall first be advanced or paid out by the Bank.

- (iv) The Borrower hereby agrees that the method or manner of calculation of interest payable hereunder shall be such method or manner as the Bank shall adopt from time to time, in the ~~absolute~~ discretion of the Bank and the decision of the Bank shall be final and conclusive ~~and shall not be questioned on every account whatsoever.~~

4. Variation of Interest Rate

- (i) Notwithstanding the provisions relating to the Prescribed Rate or the rate of interest or the default rate or charges in this Agreement, the Bank ~~reserves the right at any time and from time to time at its absolute discretion~~ shall be entitled by notice in writing to vary the amount, rate, mode or method of calculation of interest, including its Base Lending Rate and the percentage above the Base Lending Rate by placing in one issue of any daily newspaper of the Bank's choice a general notice of change of the Base Lending Rate addressed to the public generally or by serving a notice in writing on Borrower and such change or variation shall be effective from the date specified in such notice ~~PROVIDED THAT any failure of or delay on the part of the Bank to place the advertisement or to give notice shall not release, exonerate or discharge the Borrower from his obligations and liabilities to pay interest at the new rate from the specified date.~~
- (ii) If the rate of interest chargeable shall be varied in the manner herein provided prior to or after the full disbursement of the Non-Revolver Loan, interest at the new rate shall be calculated on the Non-Revolver Loan herein advanced on the date such amended or new rate of interest is imposed or takes effect.
- (iii) If and whenever the rate of interest payable by the Borrower under this Agreement shall be varied in the manner herein this Agreement appearing the Bank may ~~at its absolute discretion~~ by notice in writing make the necessary adjustment consequent upon such variation either:-
- (a) by varying the amount of any Instalments; or
 - (b) by varying the number of any Instalments; or
 - (c) both.

5. Interest Payment Excluded from Principal Repayment

No part of any payment made or Instalments paid by the Borrower as hereinbefore provided or any other payments which the Borrower may make to the Bank shall be treated as repayment of the principal until all interest due or deemed to be due or accrued to the Bank has been paid.

6. **Capitalisation of Interest**

Subject always to Clause 7 hereof, interest on any principal moneys for the time being hereby secured including capitalised interest shall, at the end of each day, be capitalised and added for all purposes to the principal sum then owing and shall thenceforth bear interest at the Prescribed Rate and be secured and payable accordingly whether before or after a court judgement or demand for payment has been made on the Borrower and all the covenants and conditions contained in or implied by this Agreement and all powers and remedies conferred by law or by this Agreement and all rules of law or equity in relation to the said principal sum and interest shall equally apply to such capitalised arrears of interest and to interest on such arrears notwithstanding that the relationship of banker and customer between the Bank and the Borrower is terminated or ceased for any reason whatsoever.

7. **Capitalised Interest Excluded From Limit Of Principal**

For the purpose of ascertaining whether the limit of the principal intended to be secured under the Non-Revolving Loan have been exceeded or not all accumulated and capitalised interest shall be deemed to be interest and not principal sum.

8. **Variation Of Dates For Payment Of Interest**

It is hereby expressly agreed and declared by the parties hereto that notwithstanding the provisions of Section 2.01B hereof, Clause 2 and Clause 3 of this Schedule herein, the dates therein and herein provided for the payment of interest may at any time and from time to time be varied at the sole discretion of the Bank. Upon such variation, such amended dates shall be deemed to become effective and the interest payment dates shall be deemed to have been amended accordingly and shall be read and construed as if such amended dates had been incorporated in and formed part of this Agreement at the date of execution thereof.

9. **Default Rate**

As an independent covenant and in addition and without prejudice to the power rights and remedies by these presents conferred, if the Borrower shall default in the payment of the Non-Revolving Loan howsoever and whenever due or fail to or neglects or omits or refuses to or does not pay any sum payable under the Non-Revolving Loan when due or of any of the Instalments or the interest and without prejudice to the generality of the foregoing, any other moneys herein covenanted to be paid, or this Agreement is terminated for whatever reasons (whether before or after full disbursement of the Non-Revolving Loan), the Borrower shall pay to the Bank interest at the Prescribed Rate together with default interest at such rate(s) over and above the Prescribed Rate as may be stipulated by the Bank or at such other rate(s) as the Bank may at any time or from time to time stipulate on the Instalment or the Non-Revolving Loan and or the interest or any other sum at that time due, or in arrears, calculated from the date of such default until the date of payment of the amount thereof together with a fixed administrative charge as the Bank may stipulate and the provisions of this Clause shall apply to such increased interest referred to herein.

10. **Compound Interest**

The right of the Bank to charge compound interest as conferred on the Bank by this Agreement shall subsist and continue to subsist notwithstanding the covenant by the Borrower to pay interest monthly in arrears and notwithstanding the issue and/or service of a demand for payment of monies or any of the monies intended to be hereby secured and/or notwithstanding that the relationship of banker-borrower between the parties hereto shall have ceased for any reason or by any cause whatsoever.

11. **Additional Interest In Arrears And Other Charges**

- (i) As an independent covenant and in addition and without prejudice to the powers, rights and remedies herein conferred, if the Borrower shall default in the payment of the Non-Revolving Loan howsoever and whenever due or of any one or more of the Instalments of the Non-Revolving Loan and/or interest and without prejudice to the generality of the foregoing, or any other monies herein covenanted to be paid or this Agreement is terminated for whatever reasons (whether before or after full disbursement of the Non-Revolving Loan), the Borrower shall pay to the Bank interest at the Prescribed Rate together with default interest/additional charges calculated at the rate of one per centum (1%) per annum above the Bank's Prescribed Rate or at such other rate(s) or amount determined by the Bank at any time or from time to time on the Instalment or the Non-Revolving Loan and/or interest or any other sum at that time due, or in arrears, calculated from the date of such default until the day or receipt by the Bank of such monies in arrears.
- (ii) In the event such default by the Borrower referred to Clause 11(i) above continues for a period of more than fourteen (14) days from the due date of payment, the Bank shall also be entitled to impose an administration charge of Ringgit Malaysia Ten (RM10.00) only or such other amount as the Bank deems fit on the Borrower and the provisions of this Clause shall apply to such increased interest referred to herein.

12. **Prepayment**

PROVIDED ALWAYS THAT IT IS HEREBY EXPRESSLY AGREED THAT NOTWITHSTANDING ANY PROVISION FOR PAYMENT BY Instalments hereinbefore contained and subject to the provisions contained in Schedule C under "Prepayment", the Borrower may at any time by giving the Bank one (1) month's notice or by paying one (1) month's interest in lieu of notice repay any amount or the whole of the monies then owing to the Bank under this Agreement **PROVIDED** that the acceptance of such lesser amount as aforesaid by the Bank shall in no way entitle the Borrower to a reduction in the amount of any Instalment but only to a reduction in the number thereof.

13. **Right To Convert Non-Revolving Loan**

- (i) The Bank and the Borrower shall have the right to convert the whole of the Non-Revolving Loan or the amount remaining outstanding thereto to an Operating Overdraft Facility or Revolving Term Loan by giving seven (7) days' notice in writing to the other party of such its intention **PROVIDED ALWAYS** that in the case of the Borrower giving such notice, such notice shall be subject to the written consent of the Bank first had and obtained and subject to such further terms and conditions as the Bank may in its **absolute** discretion prescribe or decide.
- (ii) In all cases of conversion agreed upon between the Borrower and the Bank, such agreement shall not, unless the Borrower and the Bank otherwise agree (and only to the extent agreed upon), have the effect of varying or affecting the continuing operation of the provisions herein save that in the case of conversion of the whole of the Non-Revolving Loan, the conversion shall only alter the nature of the account of the Borrower with the Bank.
- (iii) The Bank is entitled in its **absolute** discretion to withhold or refuse consent and in giving consent, the Bank may impose such conditions as it deems desirable.

14. **Purpose Of Non-Revolving Loan (Owner's Occupation)**

- (i) The Non-Revolving Loan granted to the Borrower shall be for the purpose(s) set out in the Letter of Offer.
- (ii) The Borrower hereby further declares confirms undertakes and warrants as follows:-
 - (a) that the Borrower shall during the continuance of this Agreement be occupying the house building or structure erected on the Property and further shall not lease let out or grant any licence or part with the possession of the house building or structure on the Property without the written consent of the Bank first had and obtained.
 - (b) in the event of any breach of the stipulations declarations and conditions set out above the Bank shall be entitled by notice in writing to forthwith recall the Non-Revolving Loan.

15. **Guarantees And Undertakings By The Bank**

In consideration of:-

- (i) the Bank having at the request of the Borrower given its express or implied undertaking, guarantee or covenant to pay to the Developer or Proprietor (as the case may be) of the Property or its Solicitors or the Firm of Solicitors purporting to act for the said Developer or Proprietor (as the case may be); or
- (ii) the Bank having at the request of the Borrower given its express or implied undertaking, guarantee or covenant to pay to the Bank's Solicitors, to enable the Bank's Solicitors to give to the said Developer or the Proprietor (as the case may be) or the Developer's Solicitors their Solicitors undertaking to pay,

the balance purchase price payable by the Borrower under the Sale and Purchase Agreement progressively in accordance with the schedule of construction of the building now in the course of erection on the Property, the Borrower agrees (in addition to the Property being assigned for the benefit of the Bank) with the payment of all monies undertaken or guaranteed or covenanted to be paid by the Bank to the Developer or the Developer's Solicitors or the Bank's Solicitors, as the case may be.

16. **Availability**

The Non-Revolving Loan shall be available to the Borrower upon:-

- (i) the perfection and completion of all necessary documentation, legal or otherwise, satisfactory to the Bank; and
- (ii) there is no material adverse change to the Borrower's financial position.

17. **Date of Termination**

Unless the Bank shall at its **absolute** discretion decide otherwise, the Non-Revolving Loan shall be terminated upon the Borrower having attained the age of sixty (60).

SCHEDULE D

(Which is to be taken, read and construed as an essential part of this Agreement)

 Nature of Facility:

REVOLVING TERM LOAN

 Amount : Maximum aggregate
 (Principal sum)

Ringgit Malaysia (RM) only.

 Rate of Interest:
 (Prescribed Rate)

**Interest is payable at the rate of
 (%) per annum on daily rests.**

**Daily interest at the Prescribed Rate
 calculated on the daily outstanding balance of
 the Borrower's account is payable.**

 Fixed Tenure:

Prepayment :

- (i) **PROVIDED ALWAYS THAT IT IS HEREBY EXPRESSLY AGREED THAT NOTWITHSTANDING ANY OTHER PROVISIONS FOR REPAYMENT OF THE REVOLVING TERM LOAN BY THE BORROWER**, in the event that the Borrower shall fully settle the Revolving Term Loan within () years from the date of full drawdown, the Borrower shall be charged and shall pay to the Bank a flat administration fee of **Ringgit Malaysia (RM)** and in addition, the Borrower shall also be charged and pay to the Bank early settlement charges calculated at the rate of **per centum (%)** on the original amount of the Revolving Term Loan or such other rate as the Bank may prescribe from time to time or **Ringgit Malaysia (RM)**, whichever is higher.
- (ii) If the Revolving Term Loan is under “Zero Cost” Scheme of the Bank, and in the event that the Borrower shall fully settle the Revolving Term Loan within () years from the date of full drawdown, the Borrower shall be charged and shall pay to the Bank a flat administration fee of **Ringgit Malaysia (RM)** and in addition, the Borrower shall also be charged and pay to the Bank early settlement charges calculated at the rate of **per centum (%)** on the original amount of the Revolving Term Loan or such other rate as the Bank may prescribe from time to time or **Ringgit Malaysia (RM)**, whichever is higher.

EPF Prepayment Notice:

In the event the Revolving Term Loan is prepaid by withdrawing funds from the Employee Provident Fund (EPF), the authorised limit will be reduced in proportion to the amount prepaid.

Redrawing is not allowed for the amounts prepaid using the EPF Funds.

SCHEDULE D

Additional Terms And Conditions

1. Payment Of Interest

The Borrower covenants and agrees that the Borrower shall without notice from the Bank pay interest at the relevant Prescribed Rate and where applicable, the default rate to the Bank on any amount outstanding on the Revolving Term Loan up to the date when such amount is fully repaid and settled to the Bank, calculated on the daily balance debited on the day as the Bank may prescribe of every calendar month, such interest to be payable monthly in arrears or at such other period as the Bank may prescribe and shall without notice be debited accordingly to the Borrower's account (unless the Bank shall decide otherwise). The interest is calculated on the basis of the actual number of day elapsed and based on a 365-day year.

2. Calculation Of Interest

- (i) Interest for the Revolving Term Loan shall be calculated on a daily rest basis as indicated in the Letter of Offer unless otherwise stated or agreed by the Bank and daily interest at the Prescribed Rate calculated on the daily outstanding balance of the Borrower's Revolving Term Loan account shall be payable on the Revolving Term Loan.
- (ii) The Borrower hereby agrees that the method or manner of calculation of interest payable hereunder shall be such method or manner as the Bank shall adopt from time to time, ~~in the absolute discretion of the Bank~~ and the decision of the Bank shall be final and conclusive ~~and shall not be questioned on every account whatsoever.~~

3. Variation Of Interest Rate

If the rate of interest chargeable shall be varied in the manner herein provided prior to or after the full disbursement/drawdown of the Revolving Term Loan, interest at the new rate shall be calculated on the Revolving Term Loan herein advanced on the date such amended or new rate of interest is imposed or takes effect.

4. Capitalisation Of Interest

Subject always to the provisions of the Clause 5 hereof the interest on any principal monies for the time being hereby secured including capitalised interest shall be at the end of each day be capitalised and added for all purposes to the principal sum then owing and shall thenceforth bear

interest at the Prescribed Rate and be secured and payable accordingly whether before or after a court judgement or demand for payment has been made on the Borrower and all the covenants and conditions contained in or implied by these presents and all powers and remedies conferred by law or by this Agreement and all rules of law or equity in relation to the said principal sum and interest shall equally apply to such capitalised arrears of interest and to interest on such arrears notwithstanding that the relationship of banker and customer for any reason whatsoever between the Bank and the Borrower is terminated or ceased for any reason whatsoever.

5. **Capitalised Interest Excluded From Limit Of Principal Sum**

For the purpose of ascertaining whether the limit of the principal intended to be hereby secured under the Revolving Term Loan has been exceeded or not all accumulated and capitalised interest shall be deemed to be interest and not principal sum.

6. **Variation Of Dates For Payment Of Interest**

It is hereby expressly agreed and declared by the parties hereto that notwithstanding the provisions of Section 2.01C hereof, Clause 1 and Clause 2 of this Schedule herein, the dates therein and herein provided for the payment of interest may at any time and from time to time be varied at the sole discretion of the Bank and thereupon variation in the manner aforesaid, such amended dates shall be deemed to become effective and the interest payment dates shall be deemed to have been amended accordingly and shall be read and construed as if such amended dates had been incorporated in and formed part of this Agreement at the date of execution thereof.

7. **Default Rate**

As an independent covenant and in addition and without prejudice to the power rights and remedies by these presents conferred, if the Borrower shall default in the payment of the Revolving Term Loan howsoever and whenever due or fail to or neglects or omits or refuses to or does not pay any sum payable hereunder when due or the interest and without prejudice to the generality of the foregoing, any other moneys herein covenanted to be paid, or this Agreement is terminated for whatever reasons (whether before or after full disbursement of the Revolving Term Loan), the Borrower shall pay to the Bank interest at the Prescribed Rate together with default interest at such rate(s) over and above the Prescribed Rate as may be stipulated by the Bank or at such other rate(s) as the Bank may at any time or from time to time stipulated on the Revolving Term Loan and/or the interest or any other sum at that time due, or in arrears, calculated from the date of such default until the date of payment of the amount thereof together with a fixed administrative charge as the Bank may stipulate and the provisions of this Clause shall apply to such increased interest referred to herein.

8. **Compound Interest**

The rights of the Bank to charge compound interest as conferred on the Bank by this Agreement shall subsist and continue to subsist notwithstanding the covenant by the Borrower to pay interest on daily rest basis monthly in arrears and notwithstanding the issue and/or service of a demand for payment of monies or any of the monies intended to be hereby secured and/or notwithstanding that the relationship of banker-borrower between the parties hereto shall have ceased for any reason or by any cause whatsoever.

9. **Instruments Bearing Higher Interest**

When the payment of any monies hereby secured or intended so to be shall be further secured to the Bank by any bill of exchange, promissory note, draft receipt or other instrument reserving a higher rate of interest to be paid in respect thereof than that hereinbefore covenanted to be paid such higher rate of interest shall be payable in respect of such monies and nothing contained in or to be implied from these presents shall affect the right of the Bank to enforce and recover payment of such higher rate of interest or as the case may be the difference between such higher rate of interest and the rate of interest payable herein.

10. **Further Advances**

The Bank may at its discretion from time to time at the request of the Borrower advance to the Borrower such further sum or sums of money beyond the limit hereinbefore mentioned as the Bank may deem fit and such sum or sums so advanced shall form part of the monies hereby secured.

11. **No Obligation To Make Further Advances**

Nothing contained herein shall be deemed to render it obligatory upon the Bank either at law or in equity to make or continue to make any advances or to afford any other accommodation or facilities whatsoever.

12. **Commitment Fee**

The parties hereto agree that no commitment fee is chargeable or payable on this Revolving Term Loan, irregardless of the facility amount granted to the Borrower by the Bank.

13. **Fixed Availability Period**

Notwithstanding the provisions herein contained the Borrower hereby agrees that the Revolving Term Loan granted herein to the Borrower shall be for a fixed period at the ~~sole~~ discretion of the Bank and shall be subject to the Bank's lending policy on such tenure but repayable on demand by the Bank at any time.

14. **Additional Interest On Excess Revolving Term Loan**

Notwithstanding anything hereinbefore contained it is hereby expressly agreed and declared by the Borrower that if the Borrower shall utilise the Revolving Term Loan in excess of the limit approved by the Bank at any time hereafter and from time to time commencing on the date on which the same is made available to the Borrower the Borrower shall pay to the Bank additional interest(s) on such part of the Revolving Term Loan as shall be utilised in excess by it at the end of each day at the rate of one per centum (1%) per annum above the Prescribed Rate or at such other rate as the Bank may at its ~~sole~~ discretion from time to time stipulate and until payment thereof, the Borrower hereby expressly agrees that such additional interests shall be charged on the Property in addition to the principal sum secured by the said assignment and shall form part of the monies due under this Agreement.

15. **The Bank May Open New Accounts**

The Borrower hereby agrees that the Bank may close the Borrower's then current account or accounts and open a new account or accounts in lieu thereof at any time on receiving notice that the Borrower has encumbered any of its properties or assets or in the event of this security ceasing from any cause whatsoever to be binding as a continuing security on the Borrower, and no monies paid or carried to the credit of such new account or accounts shall be appropriated towards or have the effect of discharging any part of the monies owing under this security at the date such notice or at the time of this security ceasing to be so binding as a continuing security.

16. **Valuation Of The Property**

The Borrower hereby authorises the Bank to value the Property annually or at such interval as the Bank ~~shall in its absolute discretion~~ may decide by any valuer or any officer of the Bank or any person of the Bank's choice ~~at the Borrower's sole cost and expense~~ and in the event such valuation reveals that the forced sale value of the Property is lower than that at the date hereof the Bank shall have the ~~absolute~~ discretion to require the Borrower to within fourteen (14) days from the date of a notice from the Bank to charge, pledge, mortgage or deposit with the Bank the Borrower's stocks and shares, assets, movable property and/or the issue document of title, if any, or all immovable properties vested in the Borrower of such value as the Bank may from time to time require and for such tenure as the Bank so requires by way of further and additional security for the repayment of the total amount owing for the time being under this Agreement.

17. **Right To Convert Revolving Term Loan**

- (i) The Bank and the Borrower shall have the right to convert the whole of the Revolving Term Loan or the amount remaining outstanding thereto to the Non-Revolving Loan by giving seven (7) days' notice in writing to the other party of such its intention **PROVIDED ALWAYS** that in the case of the Borrower giving such notice, such notice shall be subject to the written consent of the Bank first had and obtained and subject to such further terms and conditions as the Bank may in its **absolute** discretion prescribe or decide.
- (ii) In all cases of conversion agreed upon between the Borrower and the Bank, such agreement shall not, unless the Borrower and the Bank otherwise agree (and only to the extent agreed upon), have the effect of varying or affecting the continuing operation of the provisions herein save that in the case of conversion of the whole of the Revolving Term Loan, the conversion shall only alter the nature of the account of the Borrower with the Bank.
- (iii) The Bank is entitled in its **absolute** discretion to withhold or refuse consent and in giving consent, the Bank may impose such conditions as it deems desirable.

18. **Purpose Of Revolving Term Loan (Owner's Occupation)**

- (i) The Revolving Term Loan granted to the Borrower shall be for the purpose(s) set out in the Letter of Offer.
- (ii) The Borrower hereby further declares confirms undertakes and warrants as follows:-
 - (a) that the Borrower shall during the continuance of this Agreement be occupying the house building or structure erected on the Property and further shall not lease let out or grant any licence or part with the possession of the house building or structure on the Property without the written consent of the Bank first had and obtained.
 - (b) in the event of any breach of the stipulations declarations and conditions set out above the Bank shall be entitled by notice in writing to forthwith recall the Revolving Term Loan.

19. **Guarantees And Undertakings By The Bank**

In consideration of:-

- (i) the Bank having at the request of the Borrower given its express or implied undertaking, guarantee or covenant to pay to the Developer or Proprietor (as the case may be) of the Property or its Solicitors or the Firm of Solicitors purporting to act for the said Developer or Proprietor (as the case may be); or
- (ii) the Bank having at the request of the Borrower given its express or implied undertaking, guarantee or covenant to pay to the Bank's Solicitors to enable the Bank's Solicitors to give to the said Developer or the Proprietor (as the case may be) or the Developer's Solicitors their Solicitors undertaking to pay,

the balance purchase price payable by the Borrower under the Sale and Purchase Agreement progressively in accordance with the schedule of construction of the building now in the course of erection on the Property, the Borrower agrees (in addition to the Property being assigned for the benefit of the Bank) with the payment of all monies undertaken or guaranteed or covenanted to be paid by the Bank to the Developer or the Developer's Solicitors or the Bank's Solicitors, as the case may be.

20. **Availability**

The Revolving Term Loan shall be available to the Borrower upon:-

- (i) the perfection and completion of all necessary documentation, legal or otherwise, satisfactory to the Bank; and
- (ii) there is no material adverse change to the Borrower's financial position.

21. **Date Of Termination**

Unless the Bank shall at its **absolute** discretion decide otherwise, the Revolving Term Loan shall be terminated upon the Borrower having attained the age of sixty (60).

SCHEDULE E

(Which is to be taken, read and construed as an essential part of this Agreement)

Additional Terms And Conditions

As per the Letter of Offer dated the day of and any other supplemental Letter (s) of Offer issued by the Bank from time to time.

Additional Representations And Warranties

Additional Conditions Precedent

Additional Covenants

Additional Events of Default

SCHEDULE F

(Which is to be taken, read and construed as an essential part of this Agreement)

LETTER OF OFFER

Letter of Offer dated attached

AS WITNESS WHEREOF both parties have hereunto set their hands the day and year first abovewritten.

SIGNED by) **THE BANK OF NOVA SCOTIA BERHAD**
) **(Company No. 308035-U)** by its Attorney:-
)
for and on behalf of the Bank)
in the presence of:-)
)
)
) -----

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

I, _____ an Advocate & Solicitor of the High Court of Malaya practising at Kuala Lumpur hereby certify that the signature(s) of the Borrower(s) abovenamed was/were written in my presence on the _____ day of _____ 20____ and is to my own personal knowledge the true signature(s) of

who has/have acknowledged to me that he/she/they is/are of full age and that he/she/they has/have voluntarily executed this instrument.

Witness my hand this _____ day of _____ 20____

ENDORSEMENT BY SECURITY PARTY**THE BANK OF NOVA SCOTIA BERHAD (Company No. 308035-U)**

Ground and Mezzanine Floors

Menara Boustead

No. 69 Jalan Raja Chulan

50200 Kuala Lumpur

I/We, the Security Party named herein, hereby irrevocably and unconditionally confirm and agree that:-

1. At my/our request and consent, the Bank has granted and made available or agreed to grant or agreed to make available or continue to grant or make available now or as hereafter may be agreed at anytime to be made available to the Borrower the Facility, and I/We further agree and confirm that I/We have authorised all releases and advances pursuant to the Letter(s) of Offer and/or the Facility Agreement;
2. I/We acknowledge all the provisions of the Loan Agreement and the creation of the security under the Security Documents and/or the Assignment by me/us in your favour;
3. This endorsement shall be valid and binding on me/us as Security Party with another or others jointly and severally, notwithstanding that all Security Party(ies) now or hereafter may not have executed this form.

SECURITY PARTY:**SECURITY DOCUMENT:**

