

L A M P I R A N
(A N N E X U R E)

The party whose name, description and address are stated in Section 1 of Appendix A hereto (hereinafter called "the Chargor") has this day charged the Land described in the aforesaid schedule to **THE BANK OF NOVA SCOTIA BERHAD (No. 308035-U)**, a company incorporated in Malaysia and having its place of business at Level 10, Menara Hap Seng 2, Plaza Hap Seng, No: 1, Jalan P. Ramlee, 50250 Kuala Lumpur (hereinafter called "the Bank") upon the terms and conditions hereinafter appearing.

ARTICLE I
Recital

Section 1.01 **Application for Banking Facility**

At the request of the Chargor the Bank has agreed to grant to the party whose name, description and address are stated in Section 2 of Appendix A (hereinafter called "the Customer") an Operating Overdraft Facility and/or a Non-Revolver Loan referred to in Article II hereunder upon the terms and subject to the conditions hereinafter contained including all those additional terms and conditions as set out in Appendix B and/or Appendix C respectively.

ARTICLE II

Covenant to pay

Section 2.01A **Covenant to pay (Operating Overdraft Facility)**

The Chargor 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 Customer solely or jointly with any other person firm or company and whether as principal or surety or which the Customer 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 Customer either alone or jointly with another or others or for any other payments loans credits or advances made to or for the use or accommodation or on behalf of the Customer 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 Customer 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 Appendix B hereto together with interest thereon at the rate prescribed thereunder above the Bank's Base Lending Rate calculated on the daily outstanding balance on the basis of the calendar 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 or in enforcing or obtaining payment of such moneys or in paying any expenses or outgoings whatsoever in respect of or insuring repairing maintaining managing or realising the Land 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 Land 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 Customer and/or the Chargor (or where the Customer and/or the Chargor shall be more than one person by the death of any one of them) a balance shall be owing to the Bank by the Customer and/or the Chargor so long as the same or any part thereof shall remain owing pay to the Bank interest thereon at the Prescribed Rate with monthly rests computed from the time when such balance shall have been ascertained.

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

PROVIDED ALWAYS THAT the Bank shall be at liberty and is hereby expressly authorised by the Customer and/or the Chargor to advance or pay the whole of the Customer's 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 said building or to the Vendor or to a Bank or Financial Institution 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 Chargor 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 moneys secured by and owing under this Charge and the acknowledgement of receipt by such aforesaid person or persons shall be as good and sufficient and effective as if the same had been made or given by the Customer and/or the Chargor personally.

Section 2.01B

Covenant to pay (Non-Revolving Loan)

The Chargor hereby covenants and undertakes that he will on demand pay to the Bank the sum of Ringgit in the principal amount as stated and referred to as "the Non-Revolving Loan" in Appendix C hereto (which expression shall include wherever the context so permits any balance or part thereof) lent to or advanced for the benefit of the Customer 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 Land justifies the advance together with the interest thereon at the rate prescribed thereunder above the Bank's Base Lending Rate at monthly 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 to ensure that the Customer repay the Non-Revolving Loan and interest thereon at the Prescribed Rate by the instalments at the times and in the manner as stated in Appendix 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-Revolving Loan shall have been advanced or paid to or on behalf or for the benefit of the Customer (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-Revolving Loan and

all interest thereon shall have been fully paid and satisfied and including all such sums and moneys as are or may become payable by the Customer under this Charge 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 Customer shall commence to make payment of the Instalments the Chargor undertakes that the Customer shall pay to the Bank interest at the Prescribed Rate to be calculated on monthly rests on every sum advanced to or otherwise howsoever payable by the Customer under this Charge (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 on the 1st day of every month commencing in the month following next after the said date on which such sum shall first be advanced or paid out as aforesaid.

Provided Always That the Bank shall be at liberty and is hereby expressly authorised by the Customer and/or the Chargor to advance or pay the whole of the Non-Revolving Loan or such part or parts thereof to the Builder Developer Contractor Architect or such other persons responsible for or concerned with the renovation of the said building or to the Vendor or to a Bank or Financial Institution 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 Customer and/or the Chargor 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 moneys secured by and owing under this Charge and the acknowledgement of receipt by such aforesaid person or persons shall be as good and sufficient and effective as if the same had been made or given by the Customer and/or the Chargor personally.

AND it is hereby further agreed and declared that the Chargor's covenant to pay the Non-Revolving Loan shall include always the additional terms and conditions that are specifically set out in Appendix C hereto.

ARTICLE

Security

Section 3.01 Specific Charge

As security for the repayment of the Operating Overdraft Facility and/or the Non-Revolving Loan referred to in Section 2.01A and/or Section 2.01B hereof outstanding from time to time under or in connection with the same and the payment of all interest thereon, bank charges and commission payable thereunder and all other monies payable or agreed to be paid by the Customer, the Chargor hereby charges the Land to the Bank by way of a fixed charge.

Section 3.02 Prohibition Against other Charges

During the continuance of this security the Chargor shall not without the prior written consent of the Bank create any mortgage, charge or other encumbrance over the Land or any part of portion thereof.

Section 3.03 **Covenant to provide further security**

The Chargor shall at the request of the Bank and at the Chargor's own cost and expense charge to or deposit with the Bank the stocks and shares which are legally or beneficially owned by the Chargor, the Chargor's assets, movable property and/or the documents of title of any and all immovable properties vested in the Chargor 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.

Section 3.04 **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 moneys hereby secured or any part thereof or for other moneys hereby secured or any part thereof or for other moneys owing to the Bank nor shall anything herein contained operate so as to merge or otherwise affect any bill note guarantee mortgage or other security which the Bank may have for any money intended to be hereby or otherwise secured or any right or remedy of the Bank thereunder.

Section 3.05 **Continuing Security**

The security created by this Charge is expressly intended to be and shall be a continuing security for all moneys whatsoever now or hereafter from time to time owing to the Bank by the Customer whether alone or jointly and severally with another or others and whether as principal or surety notwithstanding that the Customer 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 Customer 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.

Section 3.06 **Consolidation**

Section 245 of the National Land Code (restricting to the right of consolidation) shall not apply to this Charge and the Bank shall have the right to consolidate any or all accounts of the Chargor with the Bank, such right to be exercised at the Bank's **absolute** discretion **by notice in writing to the Chargor** and it is hereby expressly agreed and declared that unless the Bank otherwise agrees the obligations of the Chargor under this Charge shall not be satisfied except on payment by the Chargor of not only all moneys secured hereby but also all other moneys secured by any other charge or security created by the Chargor in favour of or vested in the Bank.

ARTICLE IV

Covenants in respect of the Land

Section 4.01 **Compliance with land title conditions**

The Chargor shall comply with and observe all the conditions restrictions and category of land use express or implied imposed upon relating to or affecting the Land or to which the Land is subject as well as the provisions of any Act of Parliament ordinance or enactment for the time being in force and of any rules or orders made thereunder affecting the same.

Section 4.02 **Payment of out-goings**

The Chargor shall at all times during the continuance of this security pay the quit rent assessment rates taxes and all other outgoings whatsoever payable from time to time in respect of the Land as and when the same shall become due and payable. In default whereof it shall be lawful for but not obligatory upon the Bank to pay the same or any part thereof.

Section 4.03 **Information on matters concerning the Land**

The Chargor shall inform the Bank of any application demand notice order or any other whatsoever notice document or transaction in any way affecting concerning or touching the Land or any building fixture or other erection thereof or any part thereof forthwith upon the issue publication service or occurrence thereof (time being of the essence in respect hereof) and produce the same to the Bank if called upon so to do **AND** the Chargor shall do all acts and take all steps necessary or expedient to safeguard and preserve the Land or any building fixture or other erection thereon or any part thereof or the title or ownership thereto **AND** the Bank may if it thinks fit and on behalf or in the name and at the expense of the Chargor do all such acts and employ all such persons as the Bank shall deem fit for the purposes of safeguarding and preserving the Land or any building fixture or other erection thereon as aforesaid.

Section 4.04 **Custody of title to the Land**

The Bank shall have the custody or possession of the issue copy of the title to the Land so long as this Charge remains undischarged and the parties hereby agree and declare 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 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 Chargor **AND** nothing contained or expressed in the said Section 244(2) shall be construed as or deemed to be consent by the Bank (whether express or implied) to any act or transaction requiring the consent of the Bank.

Section 4.05 **Dealings with security**

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

Section 4.06 **Leasing and possession**

The Chargor shall not lease let out or grant any licence or otherwise howsoever part with the possession or make or accept the surrender of any lease whatsoever of or in respect of the Land 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 **AND** it is hereby expressly agreed and declared that the provisions of Section 251 of the National Land Code shall not apply to this Charge.

Section 4.07 **Maintenance**

The Chargor shall not alter pull down or remove any building or fixtures now or any time hereafter erected on or affixed to the Land 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. Where it is intended that there is to be erected any new building or buildings on the Land or that the facilities herein are to be utilised for the purposes thereof the Chargor shall complete the erection of such building or buildings in accordance with the approved plans therefor or such amendments thereof as may have been agreed to in writing by the Bank with all reasonable speed and shall complete the erection thereof so as to comply with all requirements of any municipal or such other competent authority or authorities necessary for the obtaining of and shall obtain a Certificate of Fitness for Occupation not later than such date as the Bank may stipulate.

Section 4.08 **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 Charge the Chargor expressly agrees covenants and undertakes where applicable the following:-

- (1) During the term of this security the Chargor will continue to maintain and cultivate the Land in a proper and workmanlike manner and after the methods of good husbandry and until this Charge be fully satisfied and discharged the Bank shall at all reasonable times be at liberty to enter upon the Land to view and inspect the state of maintenance or cultivation.
- (2) 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 Chargor to enter into and to inspect the Land and to make a report thereon at the cost and expense of the Chargor.
- (3) During the term of this security the Chargor shall keep the Land clean weeded and free from lallang and other undergrowths; in default whereof it shall be lawful for but not obligatory upon the Bank to employ labourers or workmen for the purpose of keeping the Land clean weeded and free from lallang and other undergrowths **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 chargee in possession.

Section 4.09 **Repairs**

The Chargor shall during the term of this Charge keep any building structure or fixture now standing or which may hereafter be erected on the Land hereby charged in good and substantial repair and condition. In default whereof the Bank may at its discretion enter upon the Land hereby charged 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 that its expenses upon receipt of a notice demanding such expenses and such expenses until it is repaid shall be a debt due and shall pay interest at the Prescribed 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 Land and into any building or structure now or at any time hereafter erected on the Land 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 a chargee in possession.

Section 4.11 **Restrictions to use of the Land**

The Chargor shall not use any building upon the Land hereby charged 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 Land hereby charged 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 Charge 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 Chargor of the land hereby charged or any part thereof or any building thereof whether by reason of over crowding or for any reason whatsoever is calculated to affect adversely the security of the Bank the Chargor shall forthwith discontinue such user.

ARTICLE V

Insurance

Section 5.01 **Insurance in joint names**

The Chargor shall during the term of this Charge keep the building fixture or structure whatsoever now or at any time hereafter erected on or affixed to the Land properly insured against loss or damage by fire and such other risks as the Bank may require up to the full insurable value thereof in the joint names of the Chargor 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 chargee and will from time to time pay the premium thereon and deliver the receipts for the same to the Bank. The Insurance policy is to be endorsed with the Bank as the beneficiary.

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 Charge the Chargor will if so required by the Bank at the cost and expense of the Chargor 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 Chargor 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 Chargor 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 Chargor 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 Chargor.

Section 5.03 **Conflicting insurance**

Save and except at the request or with the consent of the Bank the Chargor shall not 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 Chargor 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 moneys received on any insurance of the said building fixture structure property and effects whether effected by the Bank or by the Chargor to be applied in or towards making good the loss or damage in respect of which the money is received or at the option of the Bank in or towards the discharge of any money secured hereby and the Chargor shall hold all moneys so received on such insurance in trust for the Bank and the Bank may receive and give a good discharge for all such moneys.

Section 5.05 **Life policy**

The Bank may from time to time and at any time hereafter require the Chargor to take up and maintain a mortgage reducing term assurance policy or life assurance policy or any other policy guaranteeing the repayment of all the moneys 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 moneys hereby secured and in default by the Chargor 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 moneys 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 Chargor to the Bank with interest thereon at the Prescribed Rate and until payment shall be charged on the Land.

ARTICLE VI

Government Acquisition

Section 6.01 **Government Acquisition**

In the event that the Land 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 Land or shall have assumed custody or control of the Land or shall have taken any action for the bankruptcy of or levied execution against the Chargor the Chargor 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 Chargor.

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 expense of the Chargor.~~

Section 6.03 **Application of Compensation Moneys**

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

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 without prejudice to the generality of the foregoing the Bank may (without any legal obligation so to do) by written notice to the Customer declare that the Operating Overdraft Facility and/or Non-Revolving Loan shall be cancelled whereupon the same shall be cancelled and the Bank shall cease to be under any commitment to the Customer, and the total aggregate principal amount outstanding under the Operating Overdraft Facility and/or Non-Revolving Loan together with interest and all other sums payable under this Charge to be forthwith due and payable whereupon the same shall become so payable and the Customer and/or the Chargor shall provide cash cover on demand for all contingent liabilities of the Customer 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 Customer on the occurrence of any of the following events of default, namely:

- (1) if the Customer fails to pay on the due date any money or to discharge any obligation or liability payable by the Customer from time to time due to the Bank under this Charge or if any representation warranty or undertaking from time to time made to the Bank by the Customer is or becomes incorrect or misleading in a material respect; or
- (2) if the Customer and/or the Chargor fail to observe or perform any of the agreements covenants stipulations terms and conditions on the part of the Customer and/or the Chargor herein this Charge contained, or under any other charge or security documents; or
- (3) if the Customer and/or the Chargor shall cease or threaten to cease to carry on his business; or

- (4) if the Customer and/or the Chargor and/or any guarantor shall die; or a petition shall be presented or an order made or a resolution be passed for the winding up of the Customer and/or the Chargor and/or any guarantor; or
- (5) if a Receiver and/or Manager is appointed to receive and/or manage the assets undertaking or property of the Customer and/or the Chargor and/or any guarantor or any part thereof pursuant to any charge or debenture or otherwise; or
- (6) if the Customer and/or the Chargor and/or any guarantor shall become bankrupt or allow any judgement against the Customer and/or the Chargor and/or any guarantor to remain unsatisfied for a period of twenty-one (21) days; or
- (7) if the Customer and/or the Chargor 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 Customer and/or the Chargor and/or any guarantor; or
- (8) if a notice or proposal for compulsory acquisition of the Land shall be issued or made under or by virtue of any Ordinance Act of Parliament or other statutory provision; or
- (9) if the Bank decides in its ~~sole and absolute~~ discretion that the continuation of the Operating Overdraft Facility and/or Non-Revolving Loan 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 Customer and/or the Chargor; or
- (10) if by reason of any change after the date of this Charge 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 Non-Revolving Loan granted to the Customer; or
- (11) if any indebtedness of the Customer and/or the Chargor and/or any guarantor becomes capable, in accordance with the relevant terms thereof, of being declared due prematurely by reason of a default by the Customer and/or the Chargor and/or any guarantor in their respective obligations in respect of the same, or the Customer and/or the Chargor 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.

ARTICLE VIII

Demands and Notices

Section 8.01

Mode of service

Any demand for payment of the monies intended to be hereby secured and any notice or request required or permitted to be given or made under this Charge to the Chargor may be made by a notice in writing requiring payment within seven (7) days from the date thereof and the said demand or any notice by the Bank under this Charge 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 served on the Chargor if it is left at the usual or last known address or place of residence of at the last known registered office of the Chargor or at the address abovestated of the Chargor or at the usual or last known place of business of the Chargor which notices are deemed delivered to the Chargor at the time of delivery 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 forty-eight (48) hours on the second (2nd) business day after posting ~~notwithstanding that it be undelivered 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 **Statement of Account**

The Chargor hereby agrees that a statement of account of the Customer 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 Customer.

ARTICLE IX

Remedies

Section 9.01 **Statutory Notice/Breach of Covenant**

In the event of any breach by the Chargor of:-

- (1) the covenant to pay under Section 2.01A and/or Section 2.01B and such breach occurring and continuing for a period of seven (7) days it shall be lawful for the Bank forthwith to give the statutory notice pursuant to ~~the provisions-~~ Section 431, Section 431A, Section 432 and Section 433 of the National Land Code requiring the Chargor to remedy the breach within a period of seven (7) days from the date on which such statutory notice is served or deemed to be served under the provisions hereof.
- (2) any of the agreements covenants terms stipulations and undertakings herein provided and on the part of the Chargor to be observed and performed (other than the covenant to pay under Section 2.01A and/or Section 2.01B 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 the statutory notice pursuant to ~~the provisions-~~ Section 431, Section 431A, Section 432 and Section 433 of the National Land Code requiring the Chargor to remedy the said breach within a period of thirty (30) days.

Service of the statutory notice shall be effected in the manner provided in Section 8.01 hereof or as may be prescribed by the National Land Code: inter alia :-

- (a) by delivering the notice to the Chargor;
- (b) by delivering the notice at the Chargor's usual or last known place of residence or business to his servant or to an adult member of his family OR at the Chargor's registered office or usual or last known place of business to its servant or agent;
- (c) by leaving the notice addressed to the Chargor at the Chargor's usual or last known place of residence or place of business OR at the Chargor's registered office or usual or last known place of business;

- (d) by sending the notice by pre-paid registered post to the Chargor at an addresses for service given pursuant to the National Land Code OR at the Chargor's usual or last known place of residence or place of business OR at the Chargor's registered office or usual or last known place of business;
- (a)(e) by substituted service in accordance with Section 432 of the National Land Code.

Section 9.02 **Proceeds of Sale**

The amount received or realised by the Bank pursuant to Section 6.01 or on a sale of the Land under the provisions of the National Land Code shall be applied in the manner provided in Section 9.03 hereof.

Section 9.03 **Application of proceeds**

All moneys recovered or received by the Bank hereunder or from any proceedings instituted or steps taken shall be held by the Bank to apply the same:-

- FIRSTLY,** in the payment of rent (if any) payable to the State Authority in respect of the Land and, so far as no person other than the Chargor was responsible therefor, any other outgoings payable to the State Authority or any local authority.
- SECONDLY,** in payment of or provision for all costs, charges, expenses and liabilities incurred by the Bank in or about the realising of any security and the remuneration of any receiver and/or manager appointed and all fees and charges payable to the Bank and all moneys payable by the Customer or any party by way of indemnity or compensation under this Charge.
- THIRDLY,** in or towards payment to the Bank all principal moneys interest costs charges commission and other moneys which are then due and owing to the Bank.
- FOURTHLY,** in payment of the surplus (if any) to the Chargor or the Customer 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 but such alteration in the order of payment 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**

If the amount received recovered or realised under this Charge after deduction and payment from the amount so received recovered or realised of all fees, costs, expenses and other outgoings on the Land, is less than the amount due to the Bank hereunder and whether in the process of such recovery or realisation the Bank is the purchaser of the Land or otherwise, the Chargor shall pay to the Bank the difference between the amount due and the amount so realised and until payment shall also pay interest on such balance at the rate or rates stipulated hereunder or from time to time stipulated by the Bank.

Section 9.05 **Indemnity**

In addition and without prejudice to the powers rights and remedies by these presents conferred, the Chargor shall indemnify the Bank against 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 Chargor 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.

ARTICLE X

Variation

Section 10.01 **Variation of interest rate**

Notwithstanding the provisions relating to the rate of interest as hereinafter provided in Appendix B and/or Appendix C 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 otherwise or the margin or spread above the Base Lending Rate or both or in the entire manner or mode of computation or charging or howsoever) at its discretion such rate of interest by serving a notice in writing on the Customer of such of 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 binding on the Chargor. Service of such notice shall be affected in the same manner as a notice demanding payment of the balance due as hereinbefore provided under Section 8.01 hereof.

Section 10.02 **Variation of term in the Charge**

It is hereby expressly agreed and declared by the parties hereto that on conversion of the Operating Overdraft Facility and/or the Non-Revolving Loan as provided hereunder through a mutual exchange of letters such amendments and variation contained therein shall be deemed to become effective and the relevant provisions of this Charge 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 Charge at the time of execution hereof.

ARTICLE XI

Miscellaneous

Section 11.01 **Waiver**

Time shall be the essence of this Charge 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 Customer and/or the Chargor 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 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 11.01 **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:-

- (1) by notice in writing to the Customer and/or the Chargor, determine vary or increase the Operating Overdraft Facility and/or the Non-Revolving Loan granted to the Customer and may open and/or continue any account or accounts current or otherwise with the Customer at any branch or branches of the Bank;
- (2) grant to the Customer and/or the Chargor or to any other surety or guarantor any time or indulgence;
- (3) renew any bills notes or other negotiable securities;
- (4) 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 Customer and/or the Chargor or any other person;
- (5) compound with the Customer and/or the Chargor or any other person or guarantor;
- (6) at the request of the Customer accept payment or 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;
- (7) by notice in writing to the Customer and/or the Chargor, review revise amend or vary the terms and conditions of the Operating Overdraft Facility and/or the Non-Revolving Loan granted to the Customer;
- (8) 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.

Section 11.03 **Suspense account and Proof of debt**

Any money received for the account of the Customer 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 discharge or any monies or liabilities due or incurred by the Customer to it. Notwithstanding any such payment in the event of any proceedings in or analogous to bankruptcy or insolvency of the Customer 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 Customer 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 Chargor until the Bank shall have received from all sources one hundred sen in the Ringgit on the ultimate balance outstanding against the Customer. After the Bank has received such ultimate balance in full any claim on the part of the Customer to any excess or any securities remaining with the Bank shall be a matter of adjustment between the Bank and the Customer and/or any other person or persons laying claim thereto.

Section 11.04 **Right of set-off**

The Chargor 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 Customer including accounts in the name of the Bank or of the Customer 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 Customer 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 Customer is liable with the existing currency so converted.

Section 11.05 **Change in the Bank**

The security liabilities and or obligations created by this Charge 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 Customer and/or the Chargor**

The security liabilities and or obligations created by this Charge 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 Customer and/or the Chargor and the expressions "the Customer" and "the Chargor" in this Charge shall include the persons for the time being deriving title under the Customer and/or the Chargor and it is expressly declared that no change of any sort whatsoever in relation to or affecting the Customer and/or the Chargor shall in any way affect the security liabilities and or obligations created by this Charge in relation to any transaction whatsoever whether past present or future.

Section 11.07 **Assignment or transfer of charge**

The Bank shall be at liberty at any time ~~with or without the concurrence of and with or without notice~~ by notice in writing to the Chargor to assign all its rights interests and obligations or any part thereof to such person or corporation and transfer this Charge as it deems fit ~~and the costs and expenses of the Bank and the assignee or transferee of and incidental to such assignment or transfer shall be paid by the Chargor~~ and upon such assignment or transfer the assignee or transferee shall assume and be entitled to the rights interest and obligations of the Bank comprised in this Charge as if the assignee or transferee had been a party to this Charge 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 Chargor.

Section 11.08 **Successors bound**

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

Section 11.09 **Construction where Customer and/or the Chargor not an individual person**

If the name of the Customer and/or the Chargor hereinbefore inserted is that of a limited company or other corporation 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 limited company or corporation as identical or analogous as may be with or to that which would have been given for the money owing from a single individual if the Customer and/or the Chargor had been a single individual and any moneys shall be deemed to be so owing notwithstanding any defect informality insufficiency in the borrowing powers of the Customer or in the exercise thereof which might be a defence as between the Chargor 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 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.

Section 11.10 **Chargor as Principal Debtor**

Although as between the Customer and the Chargor the Chargor is a surety only for the Customer yet as between the Chargor and the Bank the Chargor shall be a principal debtor and the Land shall be the principal security for the monies due under this Charge and accordingly the Chargor and the Land and every part thereof shall not be released at any time by any indulgence given to the Customer or by any act matter or thing whereby the Chargor as a surety only or the Land and any part thereof might have been released and discharged.

Section 11.11 **No proof in competition**

Until all monies and liabilities due or incurred by the Customer to the Bank shall have been paid or discharged in full the Chargor will not by paying off any sum recoverable hereunder or by any other means or on any other ground claim any set off or counterclaim against the Customer in respect of any liability from the Chargor to the Customer or claim or prove in competition with the Bank in respect of any payment by the Chargor hereunder or be entitled to claim or have the benefit of any set off counterclaim or proof against or dividend composition or payment by the Customer or his estate or the benefit of any other security which the Bank may now or hereafter hold for any money or liabilities due or incurred by the Customer to it or to have any share therein.

Section 11.12 **Costs**

The Chargor shall be liable to pay fees and expenses in connection with or incidental to this Charge including the Bank's solicitors fees (on a solicitor and client basis) in connection with the

preparation, execution, stamping, registration and perfection of this Charge 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 or any moneys payable or agreed to be payable under this Charge shall be required to be recovered through any process of law or be placed in the hands of solicitors for collection, the Chargor shall pay (in addition to the moneys then due and payable under the Operating Overdraft Facility and/or the Non-Revolving Loan) the Bank's solicitors' fees (on a solicitor and client basis) and any other fees and expenses incurred in respect of such collection.

ARTICLE XII

Definitions

Section 12.01 **Definitions**

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

- (1) Words importing the masculine gender include feminine and neuter genders and vice versa;
- (2) Words importing the singular number include the plural number and vice versa;
- (3) Words applicable to natural persons include any body or persons company corporation firm or partnership corporate or unincorporate;
- (4) Where there are two (2) or more persons or parties included or comprised in the expressions "the Customer" and/or "the Chargor" agreements covenants terms stipulations and undertakings expressed to be made by and on the part of the Customer and/or the Chargor shall be deemed to be made by or binding upon such persons or parties jointly and severally;
- (5) The term "principal" shall include all sums and monies whatsoever advanced or paid to or on behalf of the Customer by the Bank or otherwise howsoever payable by the Customer and/or the Chargor to the Bank pursuant to this Charge (whether or not the same shall form part of the Operating Overdraft Facility and/or the Non-Revolving 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;
- (6) The term "year" shall mean a period of 365 days;
- (7) The term "month" shall mean a calendar month;
- (8) The "headings" of this Charge are inserted for convenience only and shall be ignored in construing the provisions of this Charge.

Section 12.02 **Severability**

Each of the provisions of this Charge is severable and distinct from the others and if at any time one or more of such provision is or becomes invalid illegal or unenforceable, the validity legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

Section 12.03 **Appendix B and Appendix C**

The Chargor hereby agrees that the additional terms and conditions contained in Appendix B and/or Appendix C, shall be in addition to and not in derogation of any term or condition hereinbefore contained and subsisting between the Bank and the Customer or any terms or conditions that may be specified in any letter of offer given by the Bank to the Customer from time to time or in any subsequent correspondence between the Bank and the Customer.

APPENDIX A

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

Date of this Charge

Section 1 Name, description and
address of the Chargor

Section 2 Name, description and
address of the Customer

APPENDIX B

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

 Nature of Facility: **Operating Overdraft Facility**

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

(RM)

 Rate of Interest:
 (Prescribed Rate)

Additional Terms and Conditions

1. **Capitalisation of interest**

Subject always to the provisions of the clause next following the interest on any principal moneys for the time being hereby secured including capitalised interest shall be at the end of each calendar month 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 and all the covenants and conditions contained in or implied by these presents and all powers and remedies conferred by law or by these presents and all rules or law or equity in relating to the said principal sum and interest shall equally apply to such capitalised arrears of interest and to interest on such arrears. The provisions of this Clause shall also apply in the event the relationship between the Bank and the Chargor and or the Customer is terminated on demand or otherwise.

2. **Capitalised interest excluded from limit of Principal Sum**

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

3. **Interest rates in other securities**

When the payment of any moneys 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 moneys and nothing contained in or to be implied from these presents shall affect the right of the Bank to enforce and recover payment at such higher rate of interest or as the case may be the difference between such higher rate and the rate payable hereunder.

4. **Right To Convert**

Both the Bank and the Customer shall have the right to convert the Operating Overdraft Facility to a 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 Customer giving such notice such notice shall be subject to the written consent of the Bank first had and obtained and to such further terms and conditions as the Bank may in its ~~absolute~~ discretion prescribe.

5. **Further advances**

The Bank may at its discretion from time to time at the request of the Chargor advance to the Customer 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 money hereby secured.

6. **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.

7. **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 and/or Non-Revolving Loan granted hereby against the account of the Customer with the Bank at the end of each calendar month 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 Charge. It is further agreed between the Bank and the Chargor that all the covenants and conditions contained in this Charge in relation to the principal sum and interest shall equally apply to the commitment fee and to such capitalised arrears of interest thereon.

8. **Periodical review**

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

The Bank reserves the right to change cancel or add to the terms and conditions of the Operating Overdraft Facility or to terminate the Operating Overdraft Facility at any time at its ~~sole~~ discretion deem fit without any obligation whether at law or in equity to give any reason therefor.

9. **Additional interest on excess overdraft**

Notwithstanding anything hereinbefore contained it is hereby expressly agreed and declared by the Chargor that if the Customer shall utilise the overdraft comprised in the Operating Overdraft Facility and/or Non-Revolving 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 Customer the Chargor shall pay to the Bank additional interest on such part of the said Overdraft Facility as shall be utilised in excess by it at the end of every month 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 ~~absolute~~ discretion from time to time stipulate and until payment thereof the Chargor hereby expressly agrees that such additional interest shall be charged on the Land in addition to the principal sum hereby secured and shall form part of the moneys due under this Charge.

10. **Instruments bearing Higher Interest**

When the payment of any moneys 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 thereon than that hereinbefore covenanted to be paid such higher rate of interest shall be payable in respect of such moneys and nothing contained in or to be implied from these presents shall affect the right or 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 and the rate payable hereunder.

11. **The Bank may open New Account**

The Bank may close the Customer's then current account or accounts and open a new account or accounts in lieu thereof at any time on receiving notice that the Chargor has encumbered any of his/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 Chargor, and no money 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 moneys owing under this security at the date of such notice or at the time of this security ceasing to be so binding as a continuing security.

12. **Compound Interest**

The rights of the Bank to charge compound interest as conferred on the Bank by this Charge shall subsist and continue to subsist notwithstanding the issue and/or service of a demand for payment of moneys or any of the moneys intended to be hereby secured and or notwithstanding that the relationship of banker-borrower between the Bank and the Customer shall have ceased for any reason or by any cause whatsoever.

13. **Disbursement**

Disbursements of the Non-Revolving Loan shall be effected upon receipt of the invoice for work done from the Builder/Constructor Architect or such other persons responsible for the renovation of the said building and shall be made directly to the Builder Contractor Architect or such person responsible for the renovation of the said building against the invoices for work done.

14. **Valuation of the Land**

The Chargor hereby authorises the Bank to value the Land annually or at such interval as the Bank shall in its ~~absolute~~ discretion decide by any valuer or any officer of the Bank or any person of the Bank's choice ~~at the Chargor's sole cost and expense~~ and in the event such valuation reveals that the forced sale value of the Land is lower than that at the date hereof the Bank shall have the ~~absolute~~ discretion to require the Chargor to within fourteen (14) days from the date of a notice from the Bank to charge, pledge, mortgage or deposit with the Bank the Chargor's stocks and shares, assets, movable property and/or the issue document of title, if any, or all immovable properties vested in the Chargor or 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 Charge.

15. **Date of Termination**

Unless the Bank shall at its ~~absolute~~ discretion decide otherwise the Operating Overdraft Facility shall be terminated on the Customer having attained the age of fifty-five (55).

APPENDIX C

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

 Nature of Facility: **Non-Revolving Loan**

Amount:
 (Principal sum) **Ringgit Malaysia**

Rate of Interest:
 (Prescribed Rate)

 Monthly Instalment:

 Number of Instalments:

Additional Terms and Conditions**1. Calculation of interest**

- (i) The interest chargeable on any sum advanced or paid to or on behalf of or otherwise howsoever payable by the Customer to the Bank under this Charge (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 or become payable as aforesaid until the full amount of the Non-Revolving Loan shall have been advanced or paid to or on behalf of or for the benefit of the Customer shall be calculated on the amount thereof outstanding at the end of every month and shall be deemed to be due forthwith upon such sum being advanced or paid as aforesaid.

- (ii) Until such time as the Non-Revolving Loan shall have been repaid in full the Customer shall pay to the Bank interest at the Prescribed Rate to be calculated on monthly rests on every sum advanced to or otherwise howsoever payable by the Customer under this Charge (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 on the 1st day of every month commencing in the month following next after the said date on which sum shall first be advanced or paid out aforesaid.
- (iii) No part of any Instalments to be paid by the Customer as hereinbefore provided or any other payments which the Customer may make to the Bank shall be deemed to be a repayment of principal until all interest due or deemed to be due to the Bank has been paid.
- (iv) If and whenever the rate of interest payable by the Chargor under this Charge shall be varied in the manner herein this Charge 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.

2. Additional Interest In Arrears and other charges

- (a) In addition and without prejudice to the powers, rights and remedies herein conferred, if the Chargor shall default in the payment on due date of any one or more of the instalments of the Term Loan and/or interest or any other monies herein covenanted to be paid, the Chargor shall pay to the Bank additional charges calculated at the rate of two per centum (2%) per annum above the Bank's Prescribed Rate on such sum in arrears or any other rate or amount determined by the Bank from the date of such default up to the day or receipt by the Bank of such monies in arrears.
- (b) In the event such default by the Chargor referred to Clause 2(a) 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 and administration charge of RM10.00 or such other amount as the Bank deems fit on the Chargor.

3. Prepayment

- (i) **PROVIDED ALWAYS THAT IT IS HEREBY EXPRESSLY AGREED THAT NOTWITHSTANDING ANY PROVISION FOR PAYMENT BY** the Instalments hereinbefore contained the Customer 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 the whole of the moneys then owing to the Bank under this Charge or such lesser amount being not less than RM1,000 multiples of RM1,000 **PROVIDED** that the acceptance of such lesser amount as aforesaid by the Bank shall in no way entitle the Customer to a reduction in the amount of any Instalment but only to a reduction in the number thereof.

- (ii) In the event that the Customer shall exercise his aforesaid right of prepayment within five (5) years from the date of the full disbursement of the Term Loan the Chargor undertakes that the Customer shall give to the Bank one (1) month's notice in writing (or the payment of one (1) month' interest in lieu of notice) and further pay to the Bank a premium calculated at the rate of two point five per centum (2.5%) or such other rate as the Bank may prescribe from time to time on the amount to be prepaid.

4. **Date of Termination**

Unless the Bank shall at its ~~absolute~~ discretion decide otherwise the Non-Revolving Loan shall be terminated on the Customer having attained the age of fifty-five (55).

5. **Purpose of Non-Revolving Loan (Owner's occupation)**

The Chargor hereby further declares confirms undertakes and warrants as follows:-

- (i) that the Chargor shall during the continuance of this Charge be occupying the house building or structure erected on the Land and further shall not lease let out or grant any licence or part with the possession of the house building or structure on the Land without the written consent of the Bank first had and obtained.
- (ii) 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 recall the Non-Revolving Loan forthwith.

6. **Guarantees and Undertakings by the Bank**

In consideration of:-

- (i) the Bank having at the request of the Chargor and Customer given its express or implied undertaking, guarantee or covenant to the developer of the Land or its solicitors or firm of solicitors purporting to act for the said developer to pay; or
- (ii) the Bank having at the request of the Chargor and Customer given its express or implied undertaking, guarantee or covenant to pay the Bank's solicitors to enable the Bank's solicitors to give to the said developer or the developer's solicitors their solicitor's undertaking to pay;

the balance purchase price payable by the Chargor under the agreement of sale of the Land progressively in accordance with the schedule of construction of the building now in the course of erection on the Land the Chargor and the Customer agrees (in addition to the Land being charged as provided hereof) that the Land is charged 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 to the developer's solicitors or the Bank's solicitors, as the case may be.

7. **Right to convert**

The Chargor agrees that both the Bank and the Customer shall have the right to convert the Non-Revolving Loan or the amount remaining outstanding thereto to an Operating Overdraft Facility by giving seven (7) days' notice in writing to the other party of such of its intention **PROVIDED ALWAYS** that in the case of the Customer giving such notice such notice shall be subject to the written consent of the Bank first had and obtained and to such further terms and conditions as the Bank may at its **absolute** discretion prescribe.

8. **Availability**

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

- (i) the perfection of all necessary documentation satisfactory to the Bank; and
- (ii) there is no material adverse change to the Customer's financial position.

9. **Compound Interest**

The rights of the Bank to charge compound interest as conferred on the Bank by this Charge shall subsist and continue to subsist notwithstanding the issue and/or service of a demand for payment of moneys or any of the moneys intended to be hereby secured and/or notwithstanding that the relationship of banker-borrower between the Bank and the Customer shall have ceased for any reason or by any cause whatsoever.

AS WITNESS the hands of the Chargor and of the Attorney of the abovenamed Bank is set the day and year first abovewritten.

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

SIGNED by the abovenamed)
) -----
Chargor in the presence of:-)
)

I/We,
do hereby accept the Non-Revolving Loan of **Ringgit Malaysia** granted to us by the Bank and
we hereby agree(s) to the abovementioned terms and conditions.

Dated this day of 20

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