



UNITED OVERSEAS BANK (MALAYSIA) BHD.
(Company No. 271809 K)

**MEMORANDUM OF LEGAL CHARGE
OVER DEPOSITS**

MEMORANDUM OF LEGAL CHARGE OVER DEPOSITS

TO : **UNITED OVERSEAS BANK (MALAYSIA) BHD.**
(Company No. 271809 K)

In consideration of You:-

- (a) having lent, agreeing to lend or continuing to lend moneys;
- (b) having made available, making available or continuing to make available banking facilities or other accommodation (referred to in this Charge as “**Banking Facilities**”); or
- (c) having granted, granting or continuing to grant time;

to _____

_____ (who is referred to in this Charge individually and collectively as “**the Borrower**”) and/or to Us (whether singly or jointly or jointly and severally with any other person) at Our request, in any manner and for as long as You may at Your sole discretion consider fit, We hereby agree with You as follows:-

1. DEFINITIONS AND INTERPRETATION

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

- 1.1.1 words referring to the singular number include the plural number and vice versa and all plural nouns shall include the singular and vice versa and in particular, "We", "Us", "Our", "Ours" and cognate expressions of those words, wherever used, mean all of Us and any or each of Us and includes the singular number so that if this Charge is signed by only one person, "We", "Us", "Our" and "Ours" are to be read as "I", "me", "my" and "mine" respectively;
- 1.1.2 words importing the masculine gender include feminine and neuter genders and vice versa;
- 1.1.3 references and words applicable to natural persons include any body of persons, company, corporation, firm or partnership corporate or unincorporate and vice versa;
- 1.1.4 the headings to the Clauses of this Charge are for ease of reference only and should not be taken into account when interpreting anything in this Charge;
- 1.1.5 “**Authorised Persons**” means any person We authorise (either alone or collectively), and approved by You, to operate any account We may have with You, and to act on Our behalf in giving instructions, to perform any acts under any agreement between You and Us, or to use any facility, product or service You make available to Us;

- 1.1.6 **“this Charge”** means this Memorandum of Legal Charge over Deposits;
- 1.1.7 **“Deposits”** means the total of all moneys, in whatsoever currency, now or at any time after this which are held in or earned on any of Our accounts whatsoever with you in Malaysia or elsewhere whether singly or jointly or jointly and severally with any other person (including accounts opened in Your name);
- 1.1.8 **“Group”** means Your branches, agencies, representative offices, affiliated, associated or related corporations, and their respective officers, servants or agents, whether situated in or out of Malaysia, and includes You;
- 1.1.9 **“Liabilities”** means all moneys, obligations and liabilities in any currency whatsoever, whether actual or dependent on some event, now or at any time in the future, which are owing to You or to any of Your branches in Malaysia or elsewhere by the Borrower and/or Us whether singly or jointly or jointly and severally with any other person and in whatever style, name or form and whether as principal or surety, together with interest (both before and after any demand or judgment and regardless whether the banker-customer relationship between You and the Borrower and/or Us has ceased or been terminated) up to the date of payment at such rates and compounded at such periodical rests as You may specify from time to time, commissions, fees and other charges and all legal and other costs charges and expenses incurred by You in relation to the Borrower and/or Us on a full indemnity basis;
- 1.1.10 **“Security Interest”** means any mortgage, charge, pledge, lien, assignment, hypothecation, right of set-off or security interest or other encumbrance whatsoever or other security arrangement or agreement or any right conferring a priority of payment howsoever created or arising;
- 1.1.11 **“We / Our / Ours /Us”** means and refers to the person or persons signing this Charge; if this Charge is signed by more than one person, **“We / Our / Ours /Us”** refers to all those persons jointly and severally so that the obligations and liabilities of those persons are also joint and several;
- 1.1.12 **“You / Yours”** means and refers to United Overseas Bank (Malaysia) Bhd. (Company No. 271809 K); and
- 1.1.13 references to Deposits and Liabilities include any part of them.

2. PAYMENT ON DEMAND

- 2.1 We will on demand pay to You the Liabilities.

3. DEPOSITS FREE FROM CLAIMS AND ENCUMBRANCES

- 3.1 We warrant to You that We are the sole legal and beneficial owner of all of the Deposits and that all of the Deposits, including interest earned or to be earned on the Deposits, are and will be free from all claims whatsoever by any person or persons whomsoever (except by Yourselves).

4. CHARGE OF DEPOSITS

- 4.1 As a continuing security for the payment of the Liabilities, We, as the sole legal and beneficial owner of all of the Deposits, hereby charge in Your favour by way of a first fixed charge the Deposits and all rights, interests, entitlements and benefits accruing to or arising in connection with the Deposits.

5. RIGHT OF SET-OFF

- 5.1 Over and above, and without in any way affecting, any prior or other right which You may have or are entitled to in law as bankers, You also have a continuing right at any time and from time to time at Your sole discretion and without any prior notice or demand to Us to set-off and transfer all or any of the Deposits and apply them towards the satisfaction of the Liabilities.
- 5.2 You may exercise the right of set-off described above even if:-
- 5.2.1 You have not resorted to any remedies against Us, the Borrower or any other party;
 - 5.2.2 all or any of the Deposits have not matured; and/or
 - 5.2.3 all or any of the Liabilities are in a currency which is different from the Deposits.
- 5.3 In exercising Your right of set-off, You are free to combine or consolidate any of Our accounts with You as you may think fit.
- 5.4 If all or any of the Liabilities are in a currency which is different from the Deposits, You may use all or any of the Deposits to buy the currency of the Liabilities at Your own rate of exchange then prevailing.
- 5.5 Even if the Liabilities have not yet become owing to You by Us or the Borrower, You are still entitled to set-off and transfer all or any of the Deposits towards the satisfaction of such Liabilities; if it later turns out that such Liabilities are less than the amount of the Deposits which You have set-off, You are to refund the surplus amount to Us free of interest.

6. RESTRICTIONS ON DEPOSITS

- 6.1 Until all the Liabilities have been unconditionally and irrevocably paid and discharged in full and the Banking Facilities are no longer available for Our or the Borrower's use, We agree that We shall not be entitled to withdraw or use any of the Deposits and no part of the Deposits, including interest earned or to be earned on the Deposits, shall be repayable to Us or withdrawn or used by Us in any manner except with Your prior written consent which You may withhold or grant conditionally or unconditionally at Your absolute discretion.
- 6.2 We will not:-
- 6.2.1 assign, transfer, mortgage, charge, encumber or in any other way deal with the Deposits or Our rights, title or interest in the Deposits; or

6.2.2 try to assign, transfer, mortgage, charge, encumber or in any other way deal with the Deposits or Our rights, title or interest in the Deposits;

unless it is in Your favour and unless We have Your prior written consent which You may withhold or grant conditionally or unconditionally at Your absolute discretion. We agree that any assignment, transfer, encumbrance or other dealing in respect of the Deposits or Our rights, title or interest in the Deposits will be void and of no effect; We similarly agree that any attempt to assign, transfer, mortgage, charge, encumber or in any other way deal with the Deposits or Our rights, title or interest in the Deposits will be void and of no effect.

6.3 Subject to the terms of any other agreement which We may have with You, We agree We may withdraw or deal with the Deposits only when all the Liabilities have been unconditionally and irrevocably paid and discharged in full and the Banking Facilities are no longer available for Our or the Borrower's use.

6.4 If you receive any notice of any subsequent charge, assignment, other disposal or Security Interest (except that which is in Your favour) affecting the Deposits or any interest in the Deposits, You may open a new account for the Borrower or Us. If You do not open a new account, it will be deemed that you have in fact opened such new account at the time when You received such notice and, as from that time, all payments made by or on behalf of the Borrower or Us to You will be credited or be treated as having been credited to the new account and will not operate to reduce the amount secured by this Charge at the time when You received the notice. All amounts credited or deemed to have been credited to the new account will be deemed charged in Your favour in addition to the Deposits as security for the Liabilities.

7. PRINCIPAL DEBTOR

7.1 Although, as between Us and the Borrower, We are sureties, that is, persons who have agreed to be responsible for the Liabilities, We agree that, as between You and Us, We are to be deemed and to be treated in every way as principal debtors in respect of all the Liabilities guaranteed by this Charge. We therefore also agree that Our liability under this Charge shall not be discharged or affected in any way whatsoever by anything whatsoever which would not discharge Our liability if We had in fact been the principal debtors.

8. NON-COMPETITION

8.1 We undertake with You, from the date of this Charge until the Liabilities have fully been discharged and the Banking Facilities are no longer available for Our or the Borrower's use, that:-

8.1.1 We shall not take or accept any Security Interest from the Borrower or from any third party without first obtaining Your written consent;

8.1.2 We shall not, without first obtaining Your written consent:-

(a) seek to recover, whether directly or by set-off, lien, counterclaim or in any other manner;

(b) accept any moneys or other property; or

(c) exercise any right;

in respect of any sum which may be or become due to Us for any reason whatsoever by the Borrower or from any third party; neither shall We, without first obtaining Your written consent, claim, prove for or accept any payment in any composition by or any winding-up of the Borrower or any third party; and

8.1.3 if We do hold or receive any such Security Interest, moneys or other property despite Clauses 8.1.1 and 8.1.2 above, We shall immediately pay or transfer the same to You.

9. PERFECTION OF SECURITY / PRESERVATION OF DEPOSITS

9.1 We will on demand, and at Our own cost and expense, execute any document and do any other act or thing which You may specify:-

9.1.1 for perfecting any security created or intended to be created by this Charge;

9.1.2 for preserving or protecting all or any of the Deposits; and

9.1.3 for Your realisation of or access to the Deposits.

10. DISCHARGE OF CHARGE

10.1 Our liabilities and obligations under this Charge shall only be discharged by the proper and valid payment of all the Liabilities and, subject to Clause 10.2 below, by an absolute discharge or release of Us signed by You.

10.2 Any discharge or release referred to in Clause 10.1 above and any composition or arrangement which We may enter into with You shall be deemed to have been made subject to the condition that it will be void if any payment or security which You may previously have received or may after this Charge receive from any person in respect of the Liabilities is set aside under any applicable law or is not valid for any reason whatsoever.

11. INDEMNITY

11.1 As a separate, additional and continuing obligation, We unconditionally and irrevocably undertake with You that, should the Liabilities not be recoverable from Us or the Borrower for any reason whatsoever, then, even if that reason may have been known to You, We will, as a sole, original and independent obligor and upon Your demand, fully indemnify You in respect of:-

11.1.1 the Liabilities in the currency and in the manner agreed upon for the Banking Facilities; and

11.1.2 all losses, costs, charges and expenses which you may suffer or incur in doing anything whatsoever under this Charge or in connection with the Banking Facilities.

- 11.2 Our indemnity given to You in Clause 11.1 above shall be considered satisfied and discharged only when Our liabilities and obligations under this Charge have been discharged in accordance with Clause 10.1 above.

12. CHANGE IN CONSTITUTION OF BORROWER

- 12.1 The security created by this Charge will continue and will not be terminated or affected in any way by any change in the Borrower or the person or persons signing this Charge, whether by reason of insolvency, death, insanity or other disability, incorporation, amalgamation, liquidation, reconstruction or anything whatsoever in name, style, constitution or composition, or by reason of retirement, expulsion, death or admission of any partner or partners; this Charge will continue to be of full force and effect as if the resulting firm, company or entity had been the one whose obligations were originally secured by this Charge.

13. CHANGE IN YOUR CONSTITUTION

- 13.1 This Charge will not be terminated or affected in any way by any amalgamation, merger, consolidation or anything else that You may undergo with any other company or companies, any reconstruction by You involving the formation of a new company, or any transfer of all or any of Your obligations and assets to a new company, or the sale or transfer of all or any of Your obligations and assets to another company, whether or not the company or companies with which You amalgamate or merge or the company to which You transfer all or any of Your obligations and assets (whether in connection with a reconstruction or sale or transfer as stated above) is completely different from You in terms of objects, character or constitution.
- 13.2 It is Our express intention that this Charge will remain valid and effective in all respects in favour of such company or companies so that all the rights which You have under this Charge may be assigned to and enforced by any such company or companies as if such company or companies had been named in this Charge instead of or in addition to You.

14. RIGHTS CUMULATIVE

- 14.1 The rights, powers, privileges and remedies provided in this Charge are cumulative and not exclusive of any rights, powers, privileges or remedies provided by law.

15. EXERCISE OF AUTHORITY

- 15.1 Nothing done or omitted by You in accordance with any authority, discretion or permission given to You in this Charge will reduce, affect or discharge Our liabilities under this Charge.

16. NOT TO AFFECT OTHER SECURITY

16.1 This Charge:-

16.1.1 is in addition to;

16.1.2 will not merge with; and/or

16.1.3 will not in any way affect;

any other right, remedy, guarantee, indemnity or any other form of security whatsoever which You may hold or call upon now or at any time after this in respect of the Liabilities.

17. CERTIFICATE

17.1 Any certificate or statement issued by You showing the outstanding amount due and owing to You from Us or the Borrower will be conclusive proof against Us as to the outstanding amount due and owing to You from Us or the Borrower; this certificate or statement will be binding on Us for all purposes whatsoever including for the purposes of any legal proceedings.

18. MODIFICATION AND INDULGENCE

18.1 This Charge will not be affected in any way and We will not be released or excused from any of Our liabilities or obligations under this Charge by any of the following:-

18.1.1 any termination of or increase or variation to any credit to the Borrower whether or not You have given Us any prior notice or obtained Our prior consent;

18.1.2 any security whatsoever which You may now or at any time after this hold in respect of Us or the Borrower whether or not the security is given by Us or by any other person for any moneys whatsoever and whether or not the moneys are secured by this Charge;

18.1.3 any variation, exchange, renewal, release or modification of any security whatsoever which You may now or at any time after this hold in respect of Us or the Borrower;

18.1.4 any refusal or neglect by You to complete, enforce or assign any judgment or security whatsoever whether or not any moneys due to You under the judgment or security have been fully paid;

18.1.5 any extension of time, concession, waiver or other indulgence given to the Borrower and/or to any other person, including Ourselves and any party to any security document entered into with You whether or not You have given notice to Us or obtained Our consent;

18.1.6 any failure by You to enforce any of Your rights, whether intentionally or unintentionally, against the Borrower and/or any other person, including Ourselves and any party to any security document entered into with You whether or not You have given notice to Us or obtained Our consent;

- 18.1.7 any compromise, composition or arrangement which You may make with the Borrower and/or any other person, including Ourselves and any party to any security document entered into with You whether or not You have given notice to Us or obtained Our consent;
- 18.1.8 the continuing and/or the opening and operation of any other account whatsoever with the Borrower and/or with Us at any of Your offices or branches;
- 18.1.9 the granting of any other banking facility whatsoever to the Borrower and/or to Us and/or the variation in any way of any Banking Facility granted to the Borrower and/or to Us including, but not limited to, any variation to the terms and conditions governing such Banking Facility and the replacement, conversion, interchanging, reinstatement, adding to, increase or reduction of such Banking Facility in any way whatsoever;
- 18.1.10 any release or discharge given to any one or more persons giving You any security whatsoever, including one of Us if this Charge is signed by more than one person, whether or not You have given notice to Us or obtained Our consent;
- 18.1.11 the renewal of any bills, notes or other negotiable securities;
- 18.1.12 the acceptance of any early or part-payment towards settlement of the Liabilities or payment of any moneys due or becoming due under this Charge by such increased or reduced instalments as may be agreed or as may be requested by Us, the Borrower and/or any third party;
- 18.1.13 any agreement to suspend payments to reduce any principal sum owing;
and
- 18.1.14 any recourse to any remedy or means for recovering the moneys secured by this Charge which may be available to You.

19. APPLICATION OF MONEYS

- 19.1 If any sum paid to or recovered by You in respect of the moneys and obligations owing by Us and/or the Borrower is less than the amount then due, You may apply that sum to interest, fees, principal or any other amount due in such proportion and order and generally in such manner as You may in your sole discretion deem fit.

20. FUTURE LIABILITIES

- 20.1 This Charge shall be binding on Us as a continuing security and may not be terminated except in respect of future Liabilities by Us jointly giving You at least ninety (90) days' prior written notice to terminate this security as to Liabilities arising after the expiry of the notice.
- 20.2 Between Our giving You of the notice and the expiry of the notice, You may give Us and/or the Borrower any further accommodation as if You had you not received the notice.

- 20.3 The notice shall not affect the security created by this Charge in respect of Liabilities incurred or arising prior to the expiry of the notice even if the Liabilities, as at the time of the expiry of the notice, are future, contingent or conditional in nature or are in respect of any interest, commissions and/or other charges, costs, and expenses (including legal costs on a solicitor and client basis) relating to the Liabilities, whenever arising.

21. SEVERABILITY

- 21.1 If any of the provisions of this Charge is or becomes invalid or unenforceable, the invalid or unenforceable provision is to be treated as not having been included in this Charge; the remainder of this Charge is to continue to be effective and in force and is not to be affected in any way by the invalid or unenforceable provision.

22. BINDING ON HEIRS

- 22.1 This Charge will be binding on Our respective heirs, personal and legal representatives and successors in title (as the case may be) and, if it is signed by more than one party, the liability of the parties signing this Charge and of their respective heirs, personal or legal representatives and successors in title (as the case may be) to You shall be joint and several and every agreement and undertaking contained in this Charge will be read and applied accordingly.

23. NOTICES

- 23.1 We will notify You in writing of any change in Our address, facsimile number, electronic mail address or mobile phone number.
- 23.2 Any demand for payment or any other demand or notice under this Charge may be made by Your manager or any of Your officers or by any person or firm acting as Your solicitor or solicitors and may be:-
- 23.2.1 delivered by hand to Our address last known to You;
 - 23.2.2 sent by pre-paid ordinary post to Our address last known to You;
 - 23.2.3 sent by facsimile transmission to Our facsimile number last known to You;
 - 23.2.4 sent by electronic mail to Our electronic mail address last known to You;
 - 23.2.5 sent by short message system (SMS) to Our mobile phone number last known to You;
 - 23.2.6 given by posting on Your website; or
 - 23.2.7 given by advertisement in a newspaper generally circulated in Malaysia.
- 23.3 Anything whatsoever that You send or give to Us will be deemed to have been received by or given to Us, that is, regardless of whether We have actually received whatever You sent or gave:-

- 23.3.1 at the time of delivery at Our address, if delivered by hand;
 - 23.3.2 forty-eight (48) hours after posting, if sent by pre-paid ordinary post and if You can show that whatever You sent was properly posted and correctly addressed to Us;
 - 23.3.3 at the time the facsimile transmission is completed;
 - 23.3.4 at the time the electronic mailing is completed;
 - 23.3.5 at the time the sending by short message system (SMS) is completed;
 - 23.3.6 at the time of posting on Your website; or
 - 23.3.7 on the date of the publication of the advertisement in the newspaper.
- 23.4 Your rights under this Charge are not to be affected by any failure on Our part to notify You of any change in Our address, facsimile number, electronic mail address or mobile phone number.

24. DISCLOSURE OF INFORMATION

- 24.1 We agree that You (including Your officers, employees, agents or any other persons to whom You grant access to Your records, correspondence or any material relating to Us or to any account We may have with You) can disclose at any time at Your sole discretion without notifying Us beforehand, any information relating to Us, Our account and any of Our Authorised Persons to the following:-
- 24.1.1 any one or more members of the Group for any of the following purposes:-
 - (a) providing Us or the Borrower with banking services;
 - (b) reporting;
 - (c) data matching;
 - (d) improving and furthering the provision of other services by You;
 - (e) fraud or crime prevention;
 - (f) investigating, preventing or otherwise in relation to money laundering or any other criminal activities;
 - (g) debt collection;
 - (h) outsourcing Your operations;
 - (i) performance of duties as an officer of the bank or in connection with the conduct of audit or the performance of risk management;
 - (j) facilitating the performance of Your or any member of the Group's functions;

- (k) compliance with the Group's policies, guidelines, directives or requirements;
 - (l) corporate exercise;
 - (m) any legal process initiated by or served on You;
- 24.1.2 any person, whether in Malaysia or elsewhere, who provides electronic or other services to You for the purpose of providing, updating, maintaining and upgrading the services including, but not limited to, investigating discrepancies, errors or claims;
- 24.1.3 any person, whether in Malaysia or elsewhere, engaged by You in connection with the performance of services or operational functions which have been out-sourced;
- 24.1.4 the police or any public officer conducting an investigation in connection with any offence including suspected offences;
- 24.1.5 credit card companies and financial institutions in connection with credit card enquiries;
- 24.1.6 other banks, financial institutions, credit bureau or credit reference agents (only for credit information);
- 24.1.7 Your auditors, solicitors, and professional advisors;
- 24.1.8 Your stationery printers, vendors of the computer systems You use, and to such persons installing and maintaining them and other suppliers of goods or service providers You engage;
- 24.1.9 any receiver appointed by You or by any other party;
- 24.1.10 any credit bureau of which You are a member, and any other members and/or compliance committee of such credit bureau;
- 24.1.11 any rating agency, insurer or insurance broker or direct or indirect provider of credit protection;
- 24.1.12 any actual or potential participant or sub-participant in relation to any of Your obligations under any banking agreement between You and the Borrower or Us, or assignee, novatee or transferee (or any officer, employee, agent or adviser) of any of them;
- 24.1.13 for transactions effected or processed with or without Our authority in or through the automated teller machines of other banks or financial or non-financial institutions or terminals or other card operated machines or devices You approve, to the bank, financial institution or non-financial institution, trader or other party accepting the use of the automated teller machine card and their respective agents or contractors;
- 24.1.14 any court, tribunal or authority, whether governmental or quasi-governmental with jurisdiction over You or any member of the Group;
- 24.1.15 any person to whom You, or any member of the Group, are permitted or required to disclose to under the laws of any country;

- 24.1.16 any other person to whom such disclosure is considered by You to be in Your interest, or the interest of any members of the Group (not applicable to strategic alliance for marketing and promotional purpose);
- 24.1.17 any person intending to settle any moneys outstanding under the Banking Facilities;
- 24.1.18 any person connected to the enforcement or preservation of any of Your rights under this Charge;
- 24.1.19 the Central Credit Bureau or any other authority or body established by Bank Negara Malaysia or any other authority having jurisdiction over You; and
- 24.1.20 any person who has given You any security for the Banking Facilities.

25. COMPLIANCE WITH COURT ORDERS

- 25.1 You and the Group can act in any way You see fit, without consulting Us beforehand, if You are served with a court order issued by a court of any jurisdiction. We agree that We will not hold You liable for any loss or damage in connection with Your actions.

26. GOVERNING LAW

- 26.1 This Charge is to be governed by and interpreted in accordance with the laws of Malaysia and We unconditionally and irrevocably:-
 - 26.1.1 agree that any dispute involving this Charge may be submitted to the courts of law within and outside of Malaysia;
 - 26.1.2 agree not to raise any objection to any dispute being submitted in any particular court of law on the basis that it is not the correct or most convenient court for the dispute to be submitted to; and
 - 26.1.3 consent to the service on Us of any demand or notice from You and of any court documents by registered mail or by any other manner allowed by the relevant laws.

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NOTICE TO THIRD PARTY CHARGOR(S)

1. By signing this document, you may be liable instead of or as well as the Borrower for all moneys due and owing by the Borrower to UNITED OVERSEAS BANK (MALAYSIA) BHD. from time to time.
2. You are advised to seek independent legal advice before signing this document.

Dated the _____ day of _____ 20____

EXECUTION BY COMPANY

The Common Seal of _____)
_____)
_____)
was affixed to this document _____)
in the presence of: _____)

.....
Director

.....
Director/Secretary

OR

Signed for and on behalf of _____)
_____)
_____)
in the presence of: _____)

.....
Authorised Signatory
Name:
NRIC/Passport No:
Designation:

.....
Signature of Witness
Name:
NRIC/Passport No:
Address:

NOTICE TO THIRD PARTY CHARGOR(S)

1. By signing this document, you may be liable instead of or as well as the Borrower for all moneys due and owing by the Borrower to UNITED OVERSEAS BANK (MALAYSIA) BHD. from time to time.
2. You are advised to seek independent legal advice before signing this document.

EXECUTION BY INDIVIDUAL(S)

SIGNED BY:

WITNESSED BY:

.....
Signature
Name:
NRIC/Passport No:
Address:

.....
Signature
Name:
NRIC No:
Address:

.....
Signature
Name:
NRIC/Passport No:
Address:

.....
Signature
Name:
NRIC No:
Address: