

To:

HONG LEONG ISLAMIC BANK BERHAD
 (Company No. 200501009144 (686191-W) ("Bank"))

Branch:

Date:

LETTER OF HYPOTHECATION

Dear Sir (s),

In consideration of your agreeing to sell or having sold to me/us the following goods / assets / merchandises:-

Ref No. (Invoice/Bill of Lading/Air Waybill)	Number of Packages	Description	Steamer

Upon deferred payment terms specified hereafter and on this day having handed over to me/us the relevant shipping documents, I/we hypothecate to you the abovementioned goods /assets / merchandises as collateral security for the payment of the amount of selling price or any part thereof and I/we **FURTHER UNDERTAKE AND AGREE** as follows:-

1. You shall have a pledge upon the said goods/assets/merchandises as a security for the payment to discharge of my/our indebtedness mentioned herein.
2. In case of sale of the abovementioned goods/assets/merchandises by me/us, I/we agree to hand the proceeds, as soon as received, to you to be applied against the undermentioned bill and for the payment of my/our indebtedness.
3. To accept Sola of Exchange released by you on me/us, to mature on the date of maturity mentioned hereunder for the amount of your selling price or any part thereof.
4. To keep the said goods / assets / merchandises referred to fully covered by Takaful/insured against all risks and to hand over to you the amount of any claims on the underwriters, provided that you are not liable for any storage Takaful contribution/insurance premium, or any other expenses incurred in respect of the said goods / assets / merchandises.
5. Not to charge or purport to charge the said good /assets/merchandises or the proceeds of sale thereof with the payment of any monies to any person or to use or purport to use the same as security for the performance of any obligation whatsoever.
6. That you shall be entitled and are hereby authorised by me/us to debit my/our account(s) with you for the price of the said goods / assets / merchandises, the particulars of which are stated below together with your relevant charges on maturity.
 - (a) In the event of non-fulfilment of any obligation or non-payment at maturity of any acceptance or any other indebtedness on my/our part to you or any assignment for the benefit of creditor on my/our part of filing of any petition of bankruptcy against me/us, then you may at any time, take possession of the said goods/assets/merchandises, or of the proceeds of such of the same as may then have been sold, wherever the said goods/assets/merchandises may then be found and all obligations acceptances or indebtedness and liabilities whatsoever shall hereupon (with or without notice) mature and become due and payable.
 - (b) You may sell and/or realise the said goods/assets/merchandises in such manner and on such terms and conditions as you at your discretion. After payment out of proceeds of such sale and/or realisation and the payment to you of all such indebtedness or liabilities as aforesaid any balance is to be handed over to me/us; you shall be under no obligation in respect of the said goods / assets / merchandises except as herein provided nor shall you be liable for any loss arising out such sale and/or realisation or for default of any broker, auctioneer or person employed in the sale and/or realisation of any of the goods / assets / merchandises or for any other purpose connected therewith.
7. I/we undertake on your request forthwith to sign execute and do all acts and things that may be necessary or required by you for the purpose of giving you an effective pledge over the said goods / assets / merchandises for the purpose of perfecting your title your thereto or that of any purchaser thereof under any sale made in exercise of the powers of sale hereby conferred and for the purpose aforesaid I/we hereby authorise you to execute and do any such act or things as my/our agent and I/we hereby agree on your request forthwith to execute a Power of Attorney empowering you to execute as my/our Attorney any instruments under seal that may be required for the purpose of giving full effect to the authority on you by any other clause hereof.

8. Any failure on your part to enforce the remedies conferred on or available to you or any act or omission on our part to carry out fully any of the provisions of this, or any similar receipts or agreements, or of the agreement for the issuance by you of the Letter of Credit/i under which the said goods / assets / merchandises were purchased shall not be deemed to be waiver by you of right or remedies hereunder, unless the said waiver shall be writing endorsed hereon and signed by you or your duly authorised agent.
9. When signed by you more than one person the expressions "we" and "us" shall include all and each of us and the obligation and liabilities of such parties shall be deemed to be joint and several unless expressly stated to the contrary, and when the undersigned being a firm or company or corporation the obligations of the undersigned hereunder shall be binding on their successors or assigns and shall continue notwithstanding any change in the constitution of the firm or company or corporation and when the undersigned are a firm shall bind the members from time to time of the said firm jointly and severally.
10. All fees, commission, charges and other monies payable in connection with this application or transaction shall be exclusive of and subject to any Government Tax.

Yours faithfully,
For and on behalf of

For Bank's Use	

.....
(Authorised Signatory(ies))
& Company Stamp

PARTICULAR OF DEFERRED PAYMENT

Name:			A/C No :		
Address:					
Bill	Reference	No:	Amount		
			Bank's Selling Price	- RM	Tenure :
			Bank's Purchase Price	- RM	Accepted On :
			Profit Margin	- RM	Date of Maturity :