

1 Conditions Precedent To Availability of Facility

The Facility will be made available to you subject to the fulfilment of the conditions precedent set out in this Letter of Offer (including those specified hereinbelow) and security documents to the satisfaction of the Bank.

- (a) Opening of a current account with the Bank;
- (b) Receipt of your irrevocable standing instructions to the Bank for the payment of the interests and monthly instalments;
- (c) There has been no material change in your circumstances or any circumstances affecting or potentially affecting the Bank's security which in the opinion of the Bank would have an adverse impact on the Bank or your ability to perform your obligations hereunder and under the other security documents in accordance with the terms thereof;
- (d) The Bank's receipt of confirmation from SJPP on the approval of the guarantee on terms acceptable to the Bank ("Guarantee Scheme"). The general provisions governing the Guarantee Scheme(s) offered by SJPP are stipulated in Clause 17 of the Main Terms and Conditions of this Letter of Offer.
- (e) Receipt by the Bank of the indemnity or (where applicable) guarantees from the person(s) named in the Letter of Offer (main body thereof) (the guarantees being for the Facility Amount plus interest thereon and all other monies owing under or in respect of the Facility and the relevant documents);
- (f) All fees, charges, costs and expenses including stamp duties, in connection with the Facility granted, this Letter of Offer and other security documents obtained herein (if any), shall be borne by you and the Bank shall have the right to debit your account with the Bank towards payment of the same or deduct same from the Facility Amount;
- (g) All security documents relating to the Facility have been duly executed and/or stamped and/or registered with the relevant authorities.
- (h) Receipt by the Bank of all relevant undertakings and confirmations required by the Bank to the Bank's satisfaction;
- (i) You have complied with and satisfied to the Bank's satisfaction all operational requirements relating to the operation of the Facility as may be stipulated by the Bank from time to time;
- (j) Any other terms and conditions as may be advised by the Bank

2 Representations and Warranties

2.1 You hereby represent and warrant to the Bank that:

- (a) your execution and performance of the Letter of Offer:
 - (i) will not violate any law or regulation, or any order or decree of any governmental authority or court to which you, your guarantor(s) and/or any other security party are subject; or
 - (ii) will not violate any contract, undertaking or other instrument to which you or any security party is/are a party or which is binding upon you or any security party; or
 - (iii) will not result in the creation or imposition of any mortgage, lien, pledge or charge on any of your or your security party's assets or revenues pursuant to the provisions of any contract, undertaking or other instrument;
- (b) there is no infringement of the provisions of the Financial Services Act 2013 ("FSA") and Bank Negara Malaysia's Guidelines on Credit Transactions and Exposures with Connected Parties ("Guidelines") and you will advise the Bank in writing immediately if any of the relationships set out in the FSA and/or Guidelines is established or discovered at any time;
- (c) all whatsoever consents, approvals and/or authorizations which are required or advisable for or in connection with the execution, delivery, performance, legality and enforceability of the Letter of Offer, guarantee(s) and other securities (if applicable) have been obtained and are in full force and effect;
- (d) you, your guarantor(s) and any other security party are not in default of any agreement to which you are a party or may be bound;
- (e) no prosecution, litigation, arbitration or administrative proceedings are presently current or pending or threatened which might affect your and/or any security party's solvency or ability to perform your obligations under the Letter of Offer and/or any guarantee(s) and/or other security documents;
- (f) that all particulars and/or declarations furnished, provided or made by you, your guarantor(s) and the other security party(ies) in respect of your application for the Facility is true, accurate and correct in all respects; and

(g) you and/or the other security party(ies) have obtained the consent of all persons named in your application for the Facility or such other document submitted to the Bank in support of such application and/or their respective authorized representatives, including but not limited to their directors, shareholders, authorized signatories or such other persons specified by the Bank ("Relevant Data Subjects"), for the Bank's collection, holding and use of the personal information of the Relevant Data Subjects in accordance with the Bank's Privacy Notice** as may be amended from time to time; and you and/or the other security party(ies) have obtained the consent of all persons named in your application for the Facility or such other document submitted to the Bank in support of such application and/or their respective authorized representatives, including but not limited to their directors, shareholders, authorized signatories or such other persons specified by the Bank ("Relevant Data Subjects"), for the Bank's collection, holding and use of the personal information of the Relevant Data Subjects in accordance with the Bank's Privacy Notice** as may be amended from time to time; and

****Privacy Notice** shall mean the Bank's policies and principles pertaining to the collection, use and storage of personal information of existing and prospective individuals and entities dealing with the Bank as may be amended from time to time and made available at the Bank's website or in such manner as the Bank deems appropriate from time to time.

(h) none of the events of default set out in the Letter of Offer has occurred and is subsisting.

2.2 The above representations and warranties will be correct and complied with so long as the Facility remains available and until all indebtedness due pursuant to the Facility have been settled in full.

3 Utilization of Facilities

If the Facility is not utilized for whatsoever reason within three (3) months from the date of the Letter of Offer or such further period as the Bank may prescribe regardless of whether the loan/security documents have been completed or not, the Bank shall be at liberty to withdraw the Facility or to vary the terms of the Facilities with prior written notice to you.

4 Interest

4.1 Interest will be charged on daily rests unless specified otherwise.

Variation of Interest Rates – Regardless of any other provisions in this Letter of Offer, the Bank is entitled at its absolute discretion from time to time and without any requirement for agreement by you: (i) to substitute and/or change the entire basis of calculating the Prescribed Rate; and/or (ii) to vary, change and/or substitute the Reference Rate; and/or (iii) to vary such margin imposed above or below the Reference Rate; and/or (iv) to vary any commission, discount or other banking charges. The Bank may exercise a combination of any one or more of the above and may, at its absolute discretion, vary the amount of the monthly instalment or the number of the monthly instalments due to variation of the Prescribed Rate, margin or the default rates of interest or for any reason.

The "Reference Rate" means the reference rate per annum from time to time stipulated by the Bank as its lending rate for credit/financing facilities, including but not limited to BLR, BR, ECOF, FDR or KLIBOR as the case may be or such other rate by whatsoever name called as quoted by the Bank wherever applicable from time to time. The ECOF is defined as the cost to the Bank of funding the Facility from whatever source it may select at its absolute discretion plus the cost of maintaining its statutory reserves, liquidity requirements, administrative and credit costs and other related costs of the Bank as stipulated by the Bank from time to time.

Minimum Prescribed Rate

The minimum Prescribed Rate applicable to the Facility shall not be less than 1.70% p.a. calculated on daily rest or such other minimum rate as may be prescribed by the Bank from time to time. However, this minimum Prescribed Rate shall not be applicable for Facility pegged to BR or KLIBOR whereby the minimum Reference Rate applicable to such Facility shall not be less than 0.00% per annum calculated on daily rest or such other minimum rate as may be prescribed by the Bank from time to time.

4.2

Additional Interest – If you default on any two (2) cumulative payments of interest before full disbursement or default on any two (2) cumulative monthly instalments, during the duration of the Facilities, the Bank shall at its discretion be entitled to vary the Prescribed Rate to 8% per annum above BLR on daily rests or such other rate as the Bank may prescribe on the balance outstanding.

Default Interest – If you default in payment of any monies, whether principal or interests or on any sums whatsoever, or in the event the Bank recalls the Facility, interest at the rate of 1% per annum shall be charged on the sums payable from the time of default up to the time the sums are paid (both before as well as after demand or judgment).

5 Capitalisation of Interest

The right of the Bank to charge compound interest as conferred on the Bank by this Letter of Offer shall subsist and continue to subsist notwithstanding the issue and/or service of a demand for payment of monies or any of the monies hereby secured and/or notwithstanding that the banker-customer relationship between the parties may have ceased for any reason or due to any cause whatsoever.

6 Interest Excluded From Limit of Principal

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

7 Repayment of Term Loan

7.1

The term loan Facility shall be repaid by the monthly instalments as stated in the Letter of Offer or such other amount as may be prescribed by the Bank and shall commence on the first day of the following calendar month after full release of the term loan Facility or to commence at such other time or by such other amounts or in any other manner as may be stipulated by the Bank subject always to the Bank's right to request repayment in full on written demand.

8 Recall of Facility

8.1

The Bank may suspend the utilization of or recall the Facility in the event you do not pay any sums payable or if you or the security parties breach any of the terms stipulated in the Letter of Offer and/or the loan/security documents, any information/documents and/or representation or warranty given is incorrect/false, or there has occurred a default on any account with the Bank or with any other financial institution or failure to make the declaration pursuant to the Financial Services Act 2013 or BNM Guidelines on Credit Transactions and Exposures with Connected Parties or upon the occurrence of an event of default stipulated in the loan/security documents.

9 Review of Accounts & Valuation

9.1

Nothing in this Letter of Offer shall be deemed to impose on the Bank any obligation either at law or in equity to make or to continue to make available the Facility to you. The Facility and all interest, costs and fees, including renewal fee thereon (where applicable) shall be payable on demand and the Bank shall have the right to debit your account with the Bank.

9.2

Notwithstanding anything to the contrary in the Letter of Offer or the Appendices annexed thereto, and further notwithstanding any specific purpose(s) agreed to herein, the Bank shall be entitled to review the granting and/or continuation of the Facility at any time and from time to time (irrespective of whether or not the Facility or any part thereof has been utilised or disbursed or whether any event of default has occurred), including but not limited to the following circumstances:-

- (a) where there is a change in applicable law or regulation which makes it impossible or unlawful for the Bank to continue its making available the Facility or any part thereof to you or if you or any other security parties shall be affected by a material change in circumstances which in the opinion of the Bank has an adverse impact on your and/or any security parties' ability to perform your/their obligations hereunder and under the other Security Documents or is likely to be detrimental to the Bank; or
- (b) if any of your/the security parties' representations and warranties shall at any time be found to have been incorrect in any material respect; or
- (c) if any conditions stipulated herein is breached or not fulfilled to the Bank's satisfaction;

Upon such review in accordance with this Clause 9.2, the Bank shall be entitled to exercise any of its rights and powers to withdraw, cancel, suspend, terminate or recall the Facility or any part thereof, and you hereby agree to immediately accept such decision and/or repay to the Bank the indebtedness then due and outstanding under the Facility.

10 Disclosure

In addition to the permitted disclosures provided under Schedule 11 of the Financial Services Act 2013 ("FSA"), you authorize and permit the Bank, its officers and employees to disclose and furnish all information concerning the Facility, this Letter of Offer, your present and future accounts and any other matters relating to you or your business and operations to:-

- (a) other financial institutions granting or intending to grant any credit facilities to you, the Credit Bureau or any other central credit bureau established by Bank Negara Malaysia, Cagamas Berhad, Credit Guarantee Corporation, any other relevant authority as may be authorised by law to obtain such information or such authorities/agencies established by Bank Negara Malaysia or any agency established by the Association of Banks in Malaysia;
- (b) any current or future corporation which may be associated or related with the Bank (as described in the Companies Act 2016), including representative and branch offices and their respective representatives as well as subsidiaries of the Bank's holding company;
- (c) your Security Parties or any party intending to provide security in respect of the Facility;
- (d) the Bank's auditors, solicitors and/or other agents in connection with the recovery of moneys due and payable hereunder; and
- (e) the Bank's professional advisers, service providers, nominees, agents, contractors or third party service providers who are involved in the provision of products and services to or by the Bank and its related or associated companies.

You hereby irrevocably consent to such disclosure and confirm that, save and except for any damages arising directly from the Bank's wilful default or gross negligence, the Bank, its officers and employees shall be under no liability for furnishing such information or for the consequences of any reliance which may be placed on the information so furnished in accordance with this Letter of Offer.

You hereby expressly authorize and consent to the Bank obtaining any information on you from any credit reference agency or source and at any time as the Bank considers appropriate.

11 Consent to Process Personal Information

You hereby agree and consent to the holding, collection and use of all personal data provided to the Bank or acquired by the Bank from the public domain, as well as personal data that arises as a result of the provision of services to you in connection with the Facility or your other accounts maintained with the Bank, in accordance with the Privacy Notice** of the Bank as may be amended from time to time.

12 Legal Costs & Other Expenses

All fees, costs and other expenses (including stamp duties, legal and other professional fees) in connection with the Facility and the loan/security documents shall be borne by you whether or not the Facility is utilised, withdrawn or cancelled for whatever reason. In the event the Facility have to be recovered by any process of law, all fees and expenses in connection with such recovery including the Bank's solicitors fees and costs (on a solicitor-client basis) shall be borne by you. The Bank shall have the right to debit the aforesaid fees, costs and expenses to your account(s) or deduct same from the Facility amount at the time of disbursement.

13 Financial Services Act 2013 ("FSA") and BNM Guidelines on Credit Transactions & Exposures with Connected Parties ("Guidelines")

To enable the Bank to comply with the FSA and the said Guidelines, you shall declare to the Bank whether you are a connected party under the Guidelines, which includes but is not limited to, a spouse, child, parent or financial dependant of the Bank's Director, Executive Officer or credit-approving/ appraising/reviewing officer or in the case of a corporate/business-customer, includes an entity controlled by such above mentioned Bank's persons. If at any time you become a connected person, you must notify the Bank in writing immediately. The Bank reserves the right to terminate the Facilities in the event you fail to make the appropriate or correct declaration, resulting in the Bank contravening the FSA or the said Guidelines.

14 Government Taxes and/or statutory/regulatory imposed charges, fees etc

14.1

For the purpose of this Clause:

"Tax" means any present or future, direct or indirect, Malaysian or foreign tax, levy, impost, duty, charge, fee, deduction or withholding of any nature, that is imposed by any Appropriate Authority, including, without limitation, any consumption tax such as the goods and services tax ("GST") and other taxes by whatever name called, and any interest, fines or penalties in respect thereof.

"Appropriate Authority" means any government or tax authority.

14.2

The fees, charges and all other monies to be paid by you to the Bank under the Facility, this Letter of Offer and/or other security documents, including any amount representing reimbursements to be paid by you to the Bank, are exclusive of any Tax, and shall be paid without any set-off, restriction or condition and without any deduction for or on account of any counterclaim or any deduction or withholding.

14.3

In the event you are required by law to make any deduction or withholding from the fees, charges and/or all other monies payable to the Bank under the Facility, this Letter of Offer and/or other security documents in respect of any Tax or otherwise, the sum payable by you in respect of which the deduction or withholding is required shall be increased so that the net fee/charge and/or the net amount of monies received by the Bank is equal to that which the Bank would otherwise have received had no deduction or withholding been required or made.

14.4

You shall in addition to the fees, charges and all other monies payable, pay to the Bank all applicable Tax at the relevant prevailing rate and/or such amount as is determined by the Bank to cover any Tax payments/liabilities/obligations in connection therewith, without any set-off, restriction or condition and without any deduction for or on account of any counterclaim or any deduction or withholding, apart from any Taxes which may be required under any laws to be paid by you directly to any Appropriate Authority, which you shall remit directly to the Appropriate Authority.

14.5

If at any time an adjustment is made or required to be made between the Bank and the relevant taxing authority on account of any amount paid as Tax as a consequence of any supply made or deemed to be made or other matter in connection with the Facility, this Letter of Offer and/or other security documents by the Bank, a corresponding adjustment may at the Bank's discretion be made as between the Bank and you and in such event, any payment necessary to give effect to the adjustment shall be made.

14.6

All Tax as shall be payable by you to the Bank as herein provided shall be paid at such times and in such manner as shall be requested by the Bank.

For Hong Leong SME GROW Loan

14.7

You hereby agree to do all things reasonably requested by the Bank to assist the Bank in complying with its obligations under any applicable legislation under which any Tax is imposed. In the event a new Tax is introduced and such Tax is required to be charged on the transaction contemplated in this Letter of Offer, you agree to provide your fullest cooperation to the Bank in assisting the Bank in complying with its obligations under the relevant laws.

14.8

For the avoidance of doubt, the parties agree that any sum payable or amount to be used in the calculation of a sum payable expressed elsewhere in the Facility, this Letter of Offer and/or other security documents has been determined without regard to and does not include amounts to be added on under this Clause on account of Tax.

15 Miscellaneous

15.1 The Bank may by giving prior notice to you:-

(a) vary or depart from the terms and conditions governing the Facility and/or security documents and you hereby expressly consent to any and all such variations and/or departure (however substantial) provided always that such variation or departure is due to the happening of any of the following circumstances or events :-

- (i) changes in the lending rate or change in the repayment period/instalments and amount as a result of movement in the Bank's Reference Rate or 3-Month KLIBOR; or
- (ii) to be in line with guidelines issued by Bank Negara Malaysia or the Government; or
- (iii) to be in line with the guidelines issued by the Association of Banks/Finance Companies in Malaysia; or
- (iv) increase in the spread for the delinquent loans; or
- (v) changes in the key directors or shareholders as a result of resignation or disposal of shares or changes in your principal activities (where the borrower is a company); or
- (vi) non-compliance with the terms and conditions governing the Facility without the Bank's prior written consent; or
- (vii) the Facility is not used for the intended purpose; or
- (viii) when your financial position deteriorates; or

(b) deal with exchange release or modify any security documents or rights it may now or at any time hereafter or from time to time have from or against you or any other person; or

(c) compound with you or any security parties or any other person.

15.2

Notwithstanding any other provisions herein, in the event the Bank is unable to perform any of its obligations or any operations or to provide any service(s) due to any reason beyond the Bank's control, including but not limited to fire, earthquake, flood, epidemic, natural catastrophe, accident, riots, civil disturbances, industrial dispute, act of public enemy, embargo, war, act of God or any failure or disruption to telecommunication, electricity, water, fuel supply or any factor in a nature of a force majeure, the Bank shall not in any way be liable for any inconvenience, loss, injury, damages suffered or incurred by you arising from the same.

15.3

Without prejudice to any other provisions herein, and save and except for damages arising directly from the Bank's wilful default or gross negligence, the Bank shall not be liable to you or any third party for damages for default, omission, negligence, breach of contract, loss of profits or earnings, goodwill or any type of special, exemplary, incidental, direct or consequential loss or damage howsoever arising whether or not the Bank has been advised of the same. In the event the Bank is held liable for any damages notwithstanding the foregoing, the total amount of the Bank's entire liability shall not exceed the principal amount of the transaction involved which gave rise to the claim.

15.4

For the purpose of interpretation, "year" means a 365-day year.

For Hong Leong SME GROW Loan**16 Method of Communication**

The Bank reserves the right to serve any future notifications to you by written or electronic means, such as facsimile transmission, short message service (SMS), e-mail or such other means as the Bank deems appropriate in its sole and absolute discretion.

17 Conditions pertaining to the facilities under Guarantee Scheme(s) offered by Syarikat Jaminan Pembiayaan Perniagaan Berhad (SJPP)

a) The granting of Facility(ies) under the applicable guarantee scheme ("SJPP Scheme") is/are subject to the approval of Syarikat Jaminan Pembiayaan Perniagaan Berhad (SJPP), the appointed administrator of the SJPP Scheme and the guarantee by the Government of Malaysia and consent must be obtained from SJPP for any subsequent approved additional facilities/restructuring and/or variations made to the existing terms and conditions for both existing SJPP and non-SJPP guaranteed loan;

b) The Borrower authorizes and consents to the Bank disclosing all information including but not limited to the financing Facilities, securities and accounts of the Borrower to the Government of Malaysia and SJPP;

c) In the event the Borrower wishes to continue on with the Facilities after the expiry period of the SJPP Scheme, the interest rate(s) charged will be converted to an interest rate(s) as may be determined by the Bank which shall apply throughout the entire remaining tenure of the Facilities and vary the terms and conditions of the Facilities granted to you at the Bank's discretion; and

d) In the event of any change in circumstances resulting in the Borrower becoming no longer eligible under the SJPP Scheme, the Bank may at its discretion or upon instruction by SJPP terminate the Facilities under the SJPP Scheme, vary the prevailing terms and conditions (including the interest rate), and/or impose such additional conditions as the Bank may deem necessary or appropriate at its absolute discretion.

e) The Guarantee Fee(s) is at;

- Point Seven Five percent (0.75%) per annum payable upfront for facilities under the Working Capital Guarantee Scheme Start Up ("GOSU") managed by SJPP. This is subject to the aggregate Group financing limit not exceeding RM10.0 million for all SJPP guarantee schemes, including this financing. Group is defined as companies under the same group by way of shareholding (holding 50% or more), directors (providing guarantees) and/or related guarantors.

- Point Seven Five percent (0.75%) per annum payable upfront for the Government Guarantee Scheme Prihatin ("GOGGSP") managed by SJPP if the aggregate/ combined Group financing limit including this GOGGSP financing is within RM10.0 million.

- One percent (1.0%) per annum payable upfront for the Government Guarantee Scheme Prihatin ("GOGGSP") managed by SJPP if the aggregate/combined Group financing limit including this GOGGSP financing is above RM10.0 million and up to RM20.0 million

f) The Bank will include this Guarantee Fee(s) into the Bank's Prescribed Rate such that the Guarantee Fee(s) is paid on an equal monthly instalment basis. The payment of the Guarantee Fee(s) shall be remitted by the Bank to SJPP. In the event SJPP terminates the Guarantee for the SJPP Scheme, the Bank reserves the right to cancel the Facilities at any time and in such an event of cancellation, there shall be no refund of Guarantee Fee(s) paid;

g) A cancellation fee of RM100.00 shall be chargeable to Borrower in the following circumstances:-

'- for each cancellation of a request for a Guarantee by the Borrower; or

'- for failure to disburse the Facilities after a period of six(6) months from the date of receipt by the Bank of the SJPP's approval and the consequent cancellation of the guarantee approval;

18 Market Disruption

If, in the opinion of the Bank, there has, since the date of this Letter, been a change in national or international monetary, financial, economic or political conditions or currency exchange rates or exchange control which would render the Facility temporarily or permanently commercially impracticable or impossible, the Bank shall notify you thereof, and:

- (i) whilst such circumstances exist, no utilization of the Facility will be allowed;
- (ii) the Bank shall negotiate in good faith for an alternative basis acceptable to the Bank for continuing the Facility; and
- (iii) unless within thirty (30) days after the giving of such notice such circumstances cease to exist or an alternative basis acceptable to the Bank is arrived at, the Facility shall be cancelled.

19 Additional Facilities

The Bank may at any time or from time to time, in its absolute discretion and without affecting the Bank's security, at your request, grant additional or further facilities upon such terms and conditions as may be imposed by the Bank.

20 Positive covenants

You hereby covenant with the Bank that you shall at all times during the continuance of the Facility:

- (a) Notify the Bank and cause the Bank to be notified of any changes in the major shareholders and/or your management and/or composition and /or any Security Party which is a corporation; and
- (b) Ensure that the Facility shall rank pari passu with all other comparable facilities granted to you by other banks.

21 Events of Default

The whole of the indebtedness under the Facility and this Letter of Offer shall become due and immediately payable by you to the Bank upon the happening of any of the following events:

- (a) If you fail to make payment of any monies payable to the Bank under this Letter of Offer when due or payable or after expiration of any demand or notice therefor (as the case may be);
- (b) If there shall be any breach of any of the other provisions of this Letter of Offer or any guarantee or other security provided;
- (c) If you or any other security party (if any) shall be affected by a material change in your circumstances which in the Bank's opinion has an adverse impact on your and/or your security party's (as the case may be) ability to perform your obligations under the Facility/the Letter of Set-Off/other security in accordance with the terms thereof;
- (d) If the Bank decides in its sole discretion that the continuation of the Facility or any part thereof is likely detrimental to its own position or otherwise undesirable or that any of its security is inadequate or is in jeopardy;
- (e) If you or any guarantor(s) or any other security party or any other respective related companies (as described in Companies Act 2016) is/are in default under any other facilities granted by the Bank or is/are in breach of your/ their obligations under any other account maintained with the Bank;
- (f) If any of the guarantor(s) and/or any of the other security parties (if any) shall withdraw themselves or purport to withdraw themselves without the Bank's prior written consent;
- (g) If there is or occurs any infringement of the FSA and/or BNM Guidelines on Credit Transactions and Exposures with Connected Parties or any other circular, guideline or requirement of regulatory authorities;
- (h) If there is any material change in the ownership and/or your management and/or guarantor(s) and/or any security party(ies) (if any)
- (i) If you or your security party which is a corporation enters into any composition or arrangement for the benefit of your creditors or threatens to do so;
- (j) If you or any security party allows any judgment order distress or execution against it to remain unsatisfied for 21 days or more;
- (k) If you or any security party commits any act of bankruptcy or being a corporation, suffers any petition or passes any resolution for its winding-up, dissolution, liquidation or restructuring or enters into receivership or such action is threatened;
- (l) If any change in applicable law or regulation makes it impossible or unlawful for the Bank to continue making the Facility available to you;
- (m) If any security party which is a company ceases or threatens to cease to carry on its business; or
- (n) If you or any security party enters into or proposes to enter into or there is declared by any competent court or authority, a moratorium on the payment of indebtedness or other suspension of payments generally.

22 Right of Set-Off

The Bank may from time to time at its absolute discretion, combine, consolidate or merge all or any of your account or accounts of whatsoever nature (whether current, deposit or loan account) maintained with the Bank at any branch with any of your liabilities (whether such liabilities be present, future, actual, contingent, primary, secondary, collateral, secured or unsecured, several or joint) under any account or agreement or other instrument with the Bank and set off or transfer any sum (whether in the same or different currencies) standing to the credit of any such account agreement or instrument in or towards the satisfaction of your liabilities to the Bank under this Letter of Offer and other securities (if any).

23 Interchange or Substitution of Facility

The Bank may, at any time or from time to time in its absolute discretion, at your request, vary, interchange or substitute the Facility with any other facilities including converting any facilities upon such terms and conditions (hereinafter called "the said Terms") as may be stipulated in the Bank's letters of offer and/or any other document setting out such terms duly signed by you in acceptance thereof, without affecting the Bank's rights under this Letter of Offer. All the provisions of this Letter of Offer, save and except such provisions which are inconsistent with the said Terms or not applicable to the interchanged or substituted facilities, shall continue to apply to such interchanged or substituted facilities, unless otherwise stipulated by the Bank.

ATTACHMENT

24 Indemnity

You undertake to indemnify the Bank against any loss or expense (including but not limited to legal expenses on a solicitor and own client basis) which the Bank may sustain or incur as a consequence of any default by you in performing your obligations under this Letter of Offer.

25 Change in Law

25.1

In the event that the Bank shall be of the opinion that it has or will become unlawful for the Bank to maintain or give effect to its obligations as contemplated by this Letter of Offer, the Bank's obligations to grant the Facility shall forthwith be terminated and if any part of the Facility has been utilized, you shall on demand repay to the Bank the Facility in full together with accrued interest thereon and any other amount payable hereunder.

25.2

If any change in any applicable law, regulation or official requirements or in the interpretation or application thereof by any government authority, court, tribunal or other authority charged with the administration thereof (whether or not having the force of law) or if any order, judgment or directive shall have the effect of increasing the cost to the Bank of making, maintaining or funding the Facility or reducing the amount of any payment received or receivable by the Bank by any amount which the Bank deems material, then the Bank may write to you to notify you of the happening of such event and notwithstanding anything provided in this Letter of Offer, the Bank shall be entitled to at its sole discretion, but without any obligation to do so, withdraw, cancel, terminate, recall or suspend the Facility or any part thereof, whereupon you shall pay to the Bank on demand such amount as will compensate the Bank for all such increased cost or reduction in amount received/receivable. In such event, you shall be entitled on giving the Bank 30 days' prior written notice to prepay the Facility and all other monies payable thereunder in full together with an amount determined by the Bank at its sole and absolute discretion representing any loss incurred by the Bank as a result of or arising from such prepayment, and on such prepayment the Facility shall be cancelled. The certificate or confirmation of the Bank duly signed by any of its officers for the time being as to any additional amounts payable to it pursuant to this provision shall, save for any manifest error, be final and conclusive and shall be binding upon you.

26 Suspense Account

Any monies received hereunder or under any of the security documents under this Letter of Offer, may be placed and kept to the credit of a suspense account for so long as the Bank thinks fit without any obligation in the meantime to apply the same or any part thereof in or towards discharge of any money or liabilities due or incurred by you to the Bank. Notwithstanding any such payment in the event of any proceedings in or analogous to bankruptcy, liquidation, composition or arrangement the Bank may prove for and agree to accept any dividend or composition in respect of the whole or any part of money and liabilities 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 Letter of Offer, but the full amount hereby secured shall be payable by you until the Bank shall have received from all sources one hundred sen in the ringgit on the ultimate balance outstanding against you. After the Bank has received such ultimate balance in full, any claim on your part to any excess or any securities remaining with the Bank shall be a matter of adjustment between the Bank and you and any other person or persons laying claim thereto.

27 Statement of Account

You hereby expressly agree that a statement of account issued by the Bank shall be final and conclusive proof of your indebtedness.

28 Notices

Any notice required or permitted to be made by the Bank under this Letter of Offer may be served and shall be deemed to have been sufficiently served on you if it is left at the address hereinstated or at your usual or last known place of business or residence or sent by registered letter or ordinary mail to any of such addresses or by telex or facsimile or other electronic means to your usual or last known telex/facsimile numbers or electronic mail address (as the case may be). In the case of posting, the service shall be deemed to be made at the time when the registered letter or ordinary mail would in the ordinary course of

post be delivered (notwithstanding its subsequent return), in the case of telex, the service shall be deemed to be made immediately upon transmission thereof and confirmed by answerback and in the case of facsimile, on production of a transmission report by the machine from which the facsimile was sent. In the case of electronic mail, the service shall be deemed to be made immediately.

29 Severability

If any provision in this Letter of Offer is or becomes illegal, void, invalid, prohibited or unenforceable in any respect, the same shall be ineffective to the extent of such illegality, voidness, invalidity, prohibition or unenforceability without invalidating in any manner whatsoever the remaining provisions hereof. The affected provision shall be substituted by a valid provision which accomplishes as far as legally possible the practical purposes of the affected provision.

30 Applicable Law and Jurisdiction

The Facility and all matters under this Letter of Offer shall be governed by and construed in accordance with the laws of Malaysia. The parties agree that, where any actions or proceedings are taken in Malaysia, they shall submit to the exclusive jurisdiction of the courts of Malaysia in all matters connected with their obligations and liabilities under or arising out of this Letter of Offer.

31 Successors Bound

This Letter of Offer shall be binding upon your heirs, representatives, permitted assigns and successors-in-title and enforceable by the successors-in-title and assigns of the Bank.

32 Cross Default

The Bank reserves the right to proceed with legal proceedings against you or to recall the Facility, interest thereon and all other monies payable to the Bank under this Letter of Offer or withhold or withdraw the Facility if there is a default in the payment of any monies due by you hereunder or under any other account with the Bank or with any other financial institution or a default by any of your security parties under any other account with the Bank or any other financial institution or if there is a default in the payment of any monies under the accounts of any other party of which you and/or any security party is/are a guarantor or security party or when you and/or any security party ceases or threatens to cease to carry on business or a petition for your and/or any security party's bankruptcy is presented.

33 Entire Agreement

This Letter of Offer, the terms and conditions herein and any document or instrument attached hereto integrate all the terms and conditions mentioned herein and incidental hereto and superseded all oral negotiations and prior correspondence in respect of the subject matter hereof.

34 Enforcement of this Agreement

This Letter of Offer is in addition to and not in substitution of any other rights or securities which the Bank may have from or against you or the other security documents and may be enforced in accordance with the terms hereof without first having recourse to any of such other rights or securities and without taking any steps or proceedings against any other security parties as aforesaid.

35 Cumulative Remedies

The remedies provided herein are cumulative and are not exclusive of any other remedies provided by law.

36 Time

Time wherever mentioned shall be the essence of this Letter of Offer.

37 The Letter of Offer to Prevail

In the event of any inconsistencies between the terms and conditions of this Letter of Offer and the terms and conditions of other security documents excluding the Letter of Offer, the terms and conditions herein shall prevail.

38 Application of Payments

Notwithstanding any other provisions contained in this Letter of Offer to the contrary, the Bank is entitled to apply any payments received from you or from any person making payments on your behalf (irrespective of whether the payment is specified or not) towards satisfaction in whole or part of any amount of principal, interest (including late payment interest) or other sums of monies then due and payable from you under this Letter of Offer in any order that the Bank in its absolute discretion deems fit.

39 Avoidance of Payments

No assurance, security or payment which may be avoided under any law relating to winding up or insolvency and no release, settlement or discharge given or made by the Bank on the faith of any such assurance, security or payment, shall prejudice or affect the Bank's rights to recover from you the monies hereby secured to the full extent hereunder. Any such release, settlement or discharge shall be deemed to be made subject to the condition that it will be void if any payment or security which the Bank may previously have received or may hereafter receive from any person in respect of the monies hereby secured is set aside under any applicable law or proves to have been for any reason invalid.

40 Amendments to Security Documents

40.1

The Bank reserves the absolute right to delete, add to, vary, modify, substitute or impose any terms and conditions in relation to the Facility and/or under this Letter of Offer and/or any of the other security documents as and when the Bank deems fit with prior notice to you.

40.2

No provision of this Letter of Offer may be varied, amended, waived, discharged, absolved or terminated orally nor may any default, breach or omission of any provision of this Letter of Offer be waived or condoned orally.

41 Upstamping

In the event that the total monies advanced to or due and owing by you to the Bank (including accrued interest, commission, banker's charges, legal and other costs, charges and expenses) shall at any time exceed the principal limit for which this Letter of Offer is for the time being stamped, the Bank shall have the right at any time to upstamp this Letter of Offer from the date of the same having been paid or expended by the Bank and until payment shall form part of the monies secured by this Letter of Offer and the security documents.

42 Principal and Secondary Instruments

This Letter of Offer, the Letter of Set-Off and the other security documents are instruments employed in one transaction to secure such principal sum as provided under this Letter of Offer, together with all interest thereon and all monies and liabilities covenanted and agreed to be paid by you and the security parties under or in connection with or arising from the Facility granted by the Bank at any time and from time to time within the meaning of Section 4(3) of the Stamp Act 1949, and for the purpose of the said Section, this Letter of Offer is deemed to be the primary or principal instrument and the Letter of Set-Off and the other security documents are deemed to be the auxiliary or secondary instruments.

END
