

NO. RUJUKAN FAIL:

Dated this day of 20

BETWEEN

**THE PERSON STATED UNDER SECTION 1 OF THE FIRST SCHEDULE HERETO
("CHARGOR")**

AND

**LEMBAGA PEMBIAYAAN PERUMAHAN SEKTOR AWAM
(THE PUBLIC SECTOR HOME FINANCING BOARD)
("CHARGE")**

ANNEXURE

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**LAMPIRAN
(ANNEXURE)**

I/We, the person described in Section 1 of the First Schedule hereto (hereinafter referred to as “**the Chargor**”) have on this day charged the property described in the Schedule to the Charge in Form 16A and in Section 2 of the First Schedule hereto (hereinafter referred to as “**the Property**”) to **LEMBAGA PEMBIAYAAN PERUMAHAN SEKTOR AWAM (THE PUBLIC SECTOR HOME FINANCING BOARD)**, a statutory body incorporated in Malaysia under the Akta Lembaga Pembiayaan Perumahan Sektor Awam 2015 (Public Sector Home Financing Board Act 2015), with its address at Perbendaharaan Malaysia, No. 9, Kompleks Kementerian Kewangan, Persiaran Perdana, Presint 2, Pusat Pentadbiran Kerajaan Persekutuan, 62592 Putrajaya (hereinafter referred to as “**the Chargee**”) as security for the payment of the Indebtedness (as defined herein) and upon the terms and conditions hereinafter contained.

RECITALS

By a loan agreement entered into on the date more particularly provided in the Section 3 of the First Schedule hereto (hereinafter referred to as “**the Loan Agreement**”) between the Borrower (as defined in the Loan Agreement) (hereinafter called “**the Borrower**”) of the one part and the Chargee as the financier of the other part, for the Loan granted by the Chargee as financier to the Borrower, it is mutually agreed that the Chargor shall execute this Charge as security for the payment by the Borrower to the Chargee as the financier of the Indebtedness.

NOW IT IS HEREBY AGREED as follows:-

1. DEFINITIONS AND INTERPRETATIONS

1.1 DEFINITIONS

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

- “Acts” : Means the National Land Code (Act 56 of 1965) of Peninsular Malaysia, Sarawak Land Code (Cap. 81) and Sabah Land Ordinance (Cap. 68), the Land (Subsidiary Title) Enactment 1972, the Labuan Native Title Act 2007, the Strata Titles Act 1985 and the Strata Titles Ordinance 1995 and includes any statutory amendment or re-enactment thereof;
- “Address for Service” : (a) the Chargee

The Address as stated above.

(b) the Chargor

The Address as stated in Section 1 of the First Schedule hereto;
- “Borrower” : Shall have the meaning ascribed to it under the Loan Agreement;

“Business Day”	: Means the day (excluding Saturdays, Sundays and public holidays) on which the Chargee is open for business;
“Charge”	: Means this instrument and includes any variation and amendments which may be made hereto at any time and from time to time;
“Chargor”	: Means the person named in Section 1 of the First Schedule hereto and includes his heirs, successors-in-title and permitted assigns;
“Contract Document and/or Renovation Agreement”	: Shall have the meaning ascribed to it under the Loan Agreement;
“Events of Default”	: Means the committal (whether by acts of commission or omission) by the Chargor or any breach of the terms of this Charge including the happening of any of the events specified in Clause 6.1 hereof;
“Indebtedness”	: Means the aggregate of all sums advanced from time to time by the Chargee as the financier at the request of the Borrower pursuant to the Loan together with interest thereon and all other moneys payable by the Borrower to the financier (whether in respect of principal, interest, costs, expenses or otherwise) and includes all liabilities and obligations whether present or future or actual or contingent for the repayment of all moneys by the Borrower in respect of or arising from the Loan Agreement;
“Legal Process”	: Means the pleadings, all forms of originating process, interlocutory applications of whatever nature, affidavits orders and such documents other than the aforesaid which are required to be served under the Rules of Court, notices required to be given to the other party under this Charge, documents and correspondence between the parties hereto, notices under the National Land Code, 1965/ the Sarawak Land Code (Cap 81)/ the Sabah Land Ordinance (Cap 68) (as the case may be) and the rules made thereunder or under any other laws and regulations as may be applicable from time to time;
“Letter of Offer”	: Means the Letter of Offer made on the day and year stated in the Loan Agreement issued by the financier and accepted by the Borrower;
“Loan”	: Means the loan in the sum as provided in the Loan

	Agreement granted by the Chargee as the financier to the Borrower;
“Loan Agreement”	: Means the agreement made between Chargee as the financier and the Borrower on the date as stated in Section 3 of the First Schedule hereto;
“Monthly Installments”	: Means the monthly installment to be paid by the Borrower to the Chargee as the financier as provided under the Loan Agreement;
“Prescribed Rate”	: Means the prescribed interest rate as set out in the Loan Agreement or such other interest rate as the Chargee as the financier may in its discretion stipulate from time to time;
“Property”	: Means the parcel of premises as described in the Section 2 of the First Schedule hereto and any part or parts of it, including all rights attached or appurtenant to it and all buildings erected or to be erected thereon , fixtures, fittings, plant and machinery from time to time situate on it. It shall include common properties and all other structures or fixtures connected adjacent to and/or relating to the Property and by virtue of the relevant Acts;
“Related Documents”	: Means the documents, other than the title to the Property that vested all rights, title and interest and the full an entire benefit of the Property in favour of the Chargor including but not limited to the Sale and Purchase Agreement and other agreement(s) and/or assignment(s) concerning or affecting the Property;
“Ringgit Malaysia” and the abbreviation of “RM”	: Means the lawful currency of Malaysia;
“Sale and Purchase Agreement”	: Means a sale and purchase agreement made on the date as stated in the Loan Agreement with regard to the sale and purchase of the Property made between the Chargor and the vendor named therein and where applicable, also the proprietor named therein; and
“Security Documents”	: Means this Charge and any other security documents executed and/or required to be executed as the financier to the Loan deems fit hereafter.

1.2 INTERPRETATIONS

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

- (a) Words importing the singular number include the plural and vice versa.

- (b) Words importing the masculine gender include the feminine and neuter genders.
- (c) The words "hereof", "herein", "hereon", "hereinafter" and "hereunder", and words of similar import, when used in this Charge, shall, where the context requires or allows, refer to this Charge as a whole and not to any particular provision of this Charge.
- (d) The expression "the Chargor" and includes his personal representatives, heirs and successors in title and the expression "the Chargee" shall include its successors in title, assigns and such other entity in which the Chargee is merged or amalgamated or to which the Chargee's business or undertaking is transferred.
- (e) Where there are two (2) or more persons or parties included or comprised in the expression "the Chargor", agreements, covenants, terms, stipulations and undertaking expressed to be made by and on the part of the Chargor shall be deemed to be made by or binding upon such persons or parties jointly and severally. Further, the Chargee may release or discharge any one of them from all or any liability or obligation under this Charge or may make any arrangement or composition with any such person without thereby releasing the other or otherwise prejudicing any of its rights under this Charge or otherwise.
- (f) References herein to Clauses are references to Clauses in this Charge unless otherwise specified.
- (g) The headings and sub-headings in this Charge are inserted for convenience only and are to be ignored when construing the provisions of this Charge.
- (h) Where an act is required to be done within a specified number of days after or from a specified date, the period is inclusive of and begins to run from the date so specified.
- (i) A period of a month from the happening of an event or the doing of an act or thing shall be deemed to be inclusive of the day on which the event happens or the act or thing is or is required to be done.
- (j) Any reference to statutes and the rules made thereunder includes all amendments which may be enacted from time to time.
- (k) All words and expression defined in the Loan Agreement when used or referred to in this Charge shall have the meanings ascribed to them in the Loan Agreement, unless otherwise defined.

2. COVENANT TO PAY

- 2.1 The Chargor hereby covenants that he will on demand pay to Chargee the Indebtedness and discharge all obligations and liabilities whether actual or contingent now or hereafter due and owing or incurred to the Chargee by the Chargor under the terms of this Charge and the Loan Agreement or any variation, extension, renewal or replacement thereof.
- 2.2 Without prejudice to the right of the Chargee to require full payment of the Indebtedness on demand, the Chargor shall pay to the Chargee the Indebtedness under or pursuant to this Charge at the times and in the manner set out in this Charge.

3. CONTINUING SECURITY

- 3.1 The Chargor hereby agrees and declares that this Charge is expressly intended to be a continuing security for the Indebtedness and all monies whatsoever now or hereafter or from time to time owing or payable by the Chargor to the Chargee under the provisions of this Charge whether alone or jointly and severally with another or others and whether as principal or surety notwithstanding that the Chargor may at any time cease to be indebted to the Chargee for any period or periods of time and notwithstanding:-
- (a) any account or accounts of the Chargor with the Chargee may from any cause whatsoever cease to be current and notwithstanding any settlement of account or accounts or otherwise; and
 - (b) any change by amalgamation, consolidation or otherwise which may be made in the constitution of the Chargee.
- 3.2 The Chargor shall at the request of the Chargee charge to, or deposit with the Chargee such documents of title of the Property vested in the Chargor. Such charge or deposit may be by way of the security for the payment of the Indebtedness and may also or otherwise be for the purpose of securing any other moneys owing to the Chargee and not hereby secured.
- 3.3 The Chargee shall not be under any obligation to the Chargor to take any action or enforce any rights, title, interests and benefits hereby charged and shall not be under any obligation to the Chargor by reason of the Chargee having abstained from taking or continuing any such action or steps.
- 3.4 The Chargor hereby declares, covenants, warrants and undertakes that there is no debenture, mortgage, charge, pledge over the Property having priority to this Charge and that:-
- (a) the Chargor shall not during the subsistence of this Charge without the consent in writing of the Chargee execute any form of debenture, charge, mortgage, pledge, lien or permit to exist any caveat or prohibitory order or both in respect of the Property; and
 - (b) this Charge shall be without prejudice to and shall not operate so as to merge or otherwise affect any lien or any security already given by the Chargor or any other party or any other security which may hereafter be given by the Chargor or any other party to the Chargee whether the same be for securing payment of the Indebtedness or any other moneys covenanted to be paid herein and whether such security is taken as additional or collateral security or otherwise howsoever.
- 3.5 The Chargee shall not be under any obligation to the Chargor to take any action or enforce any rights title interests and benefits hereby charged and shall not be under any obligation to the Chargor by reason of the Chargee having abstained from taking or continuing any such action or steps.

4. REPRESENTATIONS AND WARRANTIES

- 4.1 The Chargor hereby represents and warrants to and undertakes with the Chargee as follows:
- (a) that the Chargor has the power or capacity to execute, deliver and perform the terms of this Charge and the Chargor has taken all necessary action to authorise the execution, delivery and performance of this Charge;

- (b) that this Charge constitutes legal, valid and binding obligations of the Chargor in accordance with its terms;
- (c) that the execution, delivery and performance of this Charge by the Chargor do not and will not violate or contravene the provisions of:-
 - (i) any law, or regulation, or order, or decree of any governmental authority, agency or court to which he is subject; and
 - (ii) any contract of whatever nature, or other undertaking, or instrument, to which he is a party or which are binding upon him or any of his assets and will not result in the creation, imposition of, or any obligation to create, or impose, any mortgage, lien, pledge or charge on any of his assets pursuant to the provisions of any such contract or other undertaking or instrument;
- (d) that all consents, or licences, or approvals, or authorisations, or orders and exemptions of any Ministry, agency, department or authority in Malaysia which are required or advisable to be obtained in connection with the execution, delivery, performance, legality or enforceability of this Charge have been obtained and are in full force and effect and no further consent, licence, approval, authorisation, order or exemption is required therefor;
- (e) that the Chargor is not in default under any agreement to which he is a party or by which he may be bound and no litigation, arbitration, or administrative proceedings are presently current, or pending, or threatened and which default, litigation, arbitration or administrative proceedings (as the case may be) might materially affect his solvency or might affect his ability to perform his obligations under this Charge;
- (f) that no bankruptcy proceedings have been commenced against the Chargor;
- (g) that the Chargor has filed all tax returns which the Chargor are required by law to file and has paid or made adequate provisions for the payment of all taxes, assessments, fees and other governmental charges assessed against his or upon any of his properties or assets, income or franchise or any of them;
- (h) that the Chargor is not in default in the payment or performance of any of his obligations for borrowed money, or in respect of other liabilities;
- (i) that there is no material adverse change in the financial condition of the Chargor or other conditions which will materially affect the ability of the Chargor to perform the obligations of the Chargor under this Charge;
- (j) that the Chargor is the legal and beneficial owner of the Property which is offered as security to the Chargee in respect of the Loan;
- (k) that the information furnished by the Chargor in connection with the Loan including relating to the security and/or the Chargor's repayment capability in relation to the Loan or financial or asset position does not contain any untrue statement or omit to state any fact the omission of which makes the statement therein in the light of the circumstances under which they were given misleading and all expression of expectation, intention, belief and opinion and all projections contained therein have been honestly and reasonably made by the Chargor to the Chargee after due and careful enquiry;

- (l) that there is no default by any of the relevant parties of any of the terms of the Sale and Purchase Agreement and/or the Related Documents that will affect the rights conferred to the Chargee under this Charge;
- (m) that the Chargor is not aware and has not intentionally withheld any information or fact which may result in or give rise to the financing by the Chargee hereunder contravening or being in breach of any laws, legislations, subsidiary legislations or regulations;
- (n) that such other warranties and representations expressed or implied, are as set out in the Letter of Offer, Loan Agreement and other documents that may have been forwarded to the Chargee; and
- (o) that no Event of Default contained in Clause 6.1 hereof, and no event which with the giving of notice or passing of time would constitute an Event of Default, has occurred.

4.2 The Chargor hereby acknowledges that the Chargee has entered into this Charge on the basis of and in full reliance of the above representations and warranties and the Chargor agrees, covenants, undertakes and confirms that each of the above representations and warranties shall survive and continue in full force and effect after the execution of this Charge.

5. COVENANTS

5.1 POSITIVE COVENANTS

The Chargor undertakes with the Chargee that, from the date of this Charge until all the Indebtedness has been settled in full:

- (a) **Ranking:** he will ensure that his liabilities under this Charge rank and will rank at least equally and rateably (pari passu) in point of priority and security with all his other liabilities (both actual and contingent);
- (b) **Information:** he will deliver to the Chargee such additional financial or other information as the Chargee may from time to time reasonably request;
- (c) **Consents, etc.:** he will obtain and promptly renew from time to time, and will promptly deliver to the Chargee certified copies of any authorisation, approval, consent, licence, exemption, registration, recording, filing or notarisation as may be necessary or desirable to ensure the validity, enforceability or priority of the liabilities and obligations of the Chargor or the rights of the Chargee under this Charge and the Chargor shall comply with the terms of the same;
- (d) **Change of his Residential Status:** he will promptly notify the Chargee in the event of any change in his residential status;
- (e) **Default:** if he becomes aware of the occurrence of an event of default as provided under Clause 6.1 herein, he will forthwith notify the Chargee and will provide the Chargee with full details of any steps which he is taking, or is considering taking, in order to remedy or mitigate the effect of the event of default or otherwise in connection with it;
- (f) **Payment of All the Sums Due and Payable:** he shall pay all the Indebtedness in the manner herein specified and perform all his other obligations and undertakings herein contained;

- (g) **Balance Purchase Price:** he shall pay the balance purchase price of the Property not covered by the Loan if it has not been paid in full;
- (h) **Adverse Changes:** he will promptly notify the Chargee of:-
- i. any material event or adverse change in the condition (financial or otherwise) of the Chargor;
 - ii. any litigation or other proceedings of any nature whatsoever being threatened or initiated against the Chargor before any court tribunal or administrative agency which may materially affect the operations and/or financial condition of the Chargor;
 - iii. any dispute between the Chargor and any government or statutory body in respect of any of his assets; and

all such notification to be given to the Chargee not later than fourteen (14) days after the Chargor has knowledge of the change or of the litigation or other proceedings or threat thereof or dispute and the amount of any contingent liability if such amount is ascertainable;

- (i) **Property:** in respect of the Property:
- i. pay for the preservation, protection and reasonable improvement generally of the security of the Chargee;
 - ii. keep the Property in good repair and condition;
 - iii. pay the quit rent, assessment rates and taxes and all other whatsoever charges payable to the Government or to any local authority or statutory body from time to time payable in respect of the Property as and when the same shall become due and payable (i.e. within seven (7) days of such payment becoming due and payable);
 - iv. comply with and observe all the conditions, restrictions and category of land use, express or implied, imposed upon, relating to, or affecting the Property or to which the Property is subject as well as the provisions of any applicable laws and regulations, ordinance or enactment for the time being in force and of any rule or order made thereunder affecting the same;
 - v. allow the Chargee and its agents and servants with or without workmen at all times of the day to enter upon the Property and into any building or buildings erected on or comprised in the Property and to view and to inspect the condition of repair thereof **PROVIDED HOWEVER** that if the Chargee should enter and repair the same it shall not be liable as chargee in possession; and
 - vi. pay for the construction, maintenance, repair or improvement of any private road or street which is in the opinion of the Chargee necessary or convenient for the enjoyment of the Property

PROVIDED ALWAYS AND IT IS HEREBY AGREED that if the Chargor shall make any default in

the performance of the agreements and undertakings in this Clause 5.1 (a) to (i) then and in such an event it shall be lawful for but not obligatory upon the Chargee to make good such default or defaults and any and all moneys so paid or expended by the Chargee together with interest thereon at the Prescribed Rate with monthly rests from the date of such payment shall on demand be repaid to the Chargee by the Chargor and until such repayment shall be deemed to be a sum advanced by the Chargee to the Chargor and shall form part of the moneys hereby secured.

5.2 NEGATIVE COVENANTS

The Chargor hereby further covenants and undertakes that from the date of this Charge and until the Indebtedness has been settled in full, he shall not:

- (a) **Indebtedness:** incur, assume, guarantee or permit to exist or guarantee any indebtedness for borrowed monies other than:-
 - i. the Indebtedness; and
 - ii. any debt or guarantee which has been disclosed by the Chargor to the Chargee in writing which the Chargee has also acknowledged in writing prior to the date of this Charge;
- (b) **Purpose:** make any alteration to the purpose of the Loan as stated in the Loan Agreement; and
- (c) **Property:** in respect of the Property:
 - i. sell, lease, agree to lease, let or part with the possession of the Property including the parking space(s) allocated to the Property or any part thereof or raise money on the security of the Chargor's rights in the Property or deal with the same in any manner whatsoever; and
 - ii. save and except where the approval of the Chargee has been obtained for the renovation of the Property and the additional financing in respect thereof, alter, pull down, or remove any building or fixture now or at any time hereafter erected on or affixed to the Property or any part thereof. Where it is intended that there is to be erected any building or buildings on the Property or that the Loan is to be utilised for the purposes thereof, the Chargor shall complete the erection of such building or buildings in accordance with the approved plans thereof of such competent authority or authorities necessary for the obtaining of and shall obtain a Certificate of Fitness/ Completion and Compliance not later than such date as the Chargee may stipulate.

6. EVENTS OF DEFAULT

6.1 If any of the events specified as events of default in the Loan Agreement and/or any of the following events shall occur:

- (a) if the Borrower fails to pay any sums payable by the Borrower under the Loan Agreement (whether principal or interest) therein agreed or covenanted by the Borrower to be paid after the same shall have become due;

- (b) if the Chargor fails to observe or perform any of the agreements, covenants, stipulations, terms undertakings and conditions on the part of the Chargor herein;
- (c) if the Chargor creates or permits to subsist any mortgage, pledge, charge, encumbrance, lien or security interest over the Property without the prior written consent of the Chargee;
- (d) if the Chargor commits any act of bankruptcy or becomes bankrupt or allows any judgment against the Chargor to remain unsatisfied for a period of twenty one (21) days or has any distress or execution or other process of a Court of competent jurisdiction levied upon or issued against any property of the Chargor and such distress or execution or other process, as the case may be, is not satisfied by the Chargor within seven (7) days thereof;
- (e) the happening of any event which in the opinion of the Chargee would effect in any way the financial position of the Chargor in accordance with sound financial standards and/or the security under this Charge is in jeopardy and notice thereof is given to the Chargor or that any event or events has/have occurred or a situation exists which could or might prejudice the Chargor's ability to perform his obligations in accordance with the terms of the relevant documents;
- (f) if at any time it becomes unlawful for the Chargor to perform the obligations of the Chargor;
- (g) if the Borrower uses or intends to use the proceeds of the Loan or of any advance for any purpose other than the purpose for which it was approved unless written consent from the Chargee was first obtained by the Borrower;
- (h) if the Chargor has any legal proceedings or suits instituted or threatened to be instituted by any person against the Chargor;
- (i) if this Charge cannot be perfected for any reason whatsoever or cannot be registered where necessary or is invalid for any reason whatsoever;
- (j) if a change in applicable law or regulations makes it impossible or unlawful for the Chargee to continue making available the Loan or any part thereof to the Borrower;
- (k) if there shall have been any such change in national or international financial or economic conditions or currency exchange rates or exchange control which in the opinion of the Chargee will affect the Chargor's ability to perform his obligations;
- (l) if the Chargor shall be affected by a material change in his financial conditions which in the opinion of the Chargee is likely to prejudice the ability of the Chargor to perform his obligations under this Charge in accordance with the terms hereof;
- (m) if the Chargor fails to pay any sums due and payable by the Chargor in any loan or other account of the Chargor with the Chargee after the same shall have become due whether formally demanded or not;
- (n) if the Chargor and/or the Borrower become insane and/or die;
- (o) if the Property is subject to an order for compulsory acquisition under the Land Acquisition

Act 1960;

- (p) if the Borrower is dismissed or his service is being terminated either by the Government of Malaysia, a state government, a local authority or a statutory authority; or
- (q) if the Borrower resigns from the service of the Government of Malaysia, a state government, a local authority or a statutory authority;

then and in any of such cases the Indebtedness for the time being owing under this Charge shall immediately become payable by the Chargor to the Chargee and the Chargee shall forthwith become entitled to exercise the rights and powers upon default herein this Charge and by law provided without any previous notice to or concurrence on the part of the Chargor.

6.2 If the Chargor and/or the Borrower shall commit a default pursuant to Clause 6.1 hereof or if any of the events stipulated stated in Clause 6.1 hereof shall happen and which if capable of remedy is not remedied within a period of thirty (30) days from the date of notice by the Chargee requesting remedy of the same, or is not remedied within the time specifically stipulated therefore (if any) in respect of the event in question, the Indebtedness payable under this Charge shall become and deem to be, notwithstanding anything contained herein to the contrary, forthwith due and payable and whereupon the Chargee shall be entitled forthwith to take such action as may be appropriate against the Chargor, the Chargee shall be entitled to exercise all or any of the rights and powers following:

- (a) the right to take possession of the Property or any part of parts thereof;
- (b) the right to let, lease or demise the Property or any part or parts thereof for such tenancy or term of years at such rent and generally upon such terms as the Chargee in its absolute discretion shall think fit;
- (c) the right and power to sell and assign the Property as the absolute unencumbered owner thereof at such price or prices and in such manner as the Chargee shall in its absolute discretion think fit free from any interest of the Chargor hereunder or otherwise and to apply the proceeds of sale in or towards the satisfaction of the Indebtedness and all costs as occasioned by such sale or sales and the Chargee shall only pay to the Chargor the balance of the proceeds of such sale or sales, if any, after deduction of the Indebtedness and all the costs of and occasioned by such sale or sales and the Chargee shall be concerned to ascertain whether or not any such default has actually arisen so as to entitle the Chargee to exercise its powers of sale or assignment;
- (d) the right to institute such proceedings and take steps (including any proceedings for the realisation of its security under this Charge) as it may think fit to enforce payment of all moneys owing to the Chargee, other than by way stated under Clause 6.2(b) and (c) above;
- (e) other than by way stated under Clause 6.2 (c) above, sell any assets of the Chargor held by the Chargee on deposit or otherwise, by public or private sale without any judicial proceedings whatsoever, and retain from the proceeds derived therefrom the total amount remaining unpaid and all costs, charges and expenses incidental to such sale

AND the Chargor shall and hereby expressly agrees, covenants and undertakes to do and execute all acts, deeds, instruments and things which the Chargee may require or stipulate for the

purposes of affecting and or completing anything and or any transaction mentioned in this clause. The Chargor further agrees that when the power of sale granted under this Clause 6.2 becomes exercisable by the Chargee, the Chargor shall give vacant possession of the Property to the Chargee or any person authorised by it immediately on receiving written demand in that behalf from the Chargee.

- 6.3 If the amount released by the Chargee on a sale of the Property in pursuance of Clause 6.2 hereof is less than amount due to the Chargee, then the Chargor shall pay to the Chargee the difference between the amount due and the amount to be released and until such payment will also pay interest in such balance at the Prescribed Rate with monthly rests.

PROVIDED THAT nothing herein contained shall be construed as imposing any obligation (whether at law or in equity) upon the Chargee to exhaust its remedy to sell the Property before commencing any separate action or before enforcing any other remedies or exercising any other rights against the Chargor AND the Chargor hereby irrevocably and unconditionally agrees and consents to the Chargee commencing separate proceedings, enforcing other remedies and exercising any other rights which the Chargee may have against the Chargor prior to or simultaneously with and without having exhausted its rights to sell or to proceed against the Property or to realise its security under the documents creating security for the Indebtedness and the Chargee shall also be entitled to exercise such remedies concurrently.

7. CROSS DEFAULT

Notwithstanding the provisions relating to the payment of the Indebtedness, the Chargor hereby expressly agrees that if any sums shall be due from the Chargor to the Chargee from time to time or at any time or if the Chargor may be or become liable to the Chargee on any account in any manner whatsoever or if default is made in any provisions of such accounts or in any other loans or facilities granted by the Chargee to the Chargor or in any of the provisions herein, then and in such event the Indebtedness or other loans/facilities aforesaid shall immediately become due and payable and the security herein shall become immediately enforceable as security for all moneys and liabilities whatsoever now or hereafter from time to time owing or payable to the Chargee by the Chargor whether alone or jointly and severally with others and whether as principal or surety notwithstanding that the Chargor may at any time or time(s) cease to be indebted to the Chargee for any period or periods and notwithstanding any settlement of account(s) or otherwise.

8. TAKAFUL PLAN / INSURANCE POLICY ON THE PROPERTY

- 8.1 The Chargor shall at all times during the continuance of this Charge take appropriate takaful plan/ insurance policy for the Property and name the Chargee as one of the beneficiaries thereof if so required by the Chargee and the Chargor further agrees that the Chargee may at its absolute discretion and through insurer /takaful company approved by the Chargee and at the cost and expenses of the Chargor, insure and keep insured the Property throughout the duration of this Charge to its full insurable value against loss or damage by fire, lightning, tempest, flood, riot, civil commotion, strike, malicious acts and against such other specific risks under such takaful plan/insurance policy for such amounts in such names and with such insurer/takaful company as the Chargee from time to time in its absolute discretion may deem expedient.
- 8.2 Furthermore, the Chargee may through the same insurer/takaful company take out a Mortgage Reducing Term Assurance on the life of the Chargor. If at any time the Chargor is entitled to the benefit of any and all takaful plan/insurance policy of the Property whether effected by the Chargor

and/or the Chargee regardless whether it is or they are for the maintenance of which the Chargor is liable under this Charge, then all the moneys received by virtue of such one or more insurance shall if the Chargee so requires be applied at its absolute discretion either in making good the loss or damage in respect of which the moneys are received or towards the discharge of all whatsoever moneys owing by the Chargor to the Chargee in any by virtue of this Charge.

- 8.3 In the event the Chargee allows for the extension of the tenure of the Loan resulting in the deferment for the payment of the Monthly Installments by the Chargor, the Chargor shall extend the period of the takaful plan/insurance policy of the Property accordingly.

9. CHARGEES RIGHT TO COMMENCE FORECLOSURE AND LEGAL PROCEEDINGS CONCURRENTLY

Notwithstanding any provision hereof, it is hereby expressly agreed that upon default or breach by the Chargor of any term, covenant, stipulation and/or undertaking provided in this Charge and on the part of the Chargor to be observed and performed, the Chargee shall thereafter have the right to exercise all or any of the remedies available whether pursuant to this Charge or by statute or otherwise and shall be entitled to exercise such remedies concurrently, including by pursuing all remedies of sale or possession pursuant to this Charge and by way of civil suit to recover all monies due and owing to the Chargee.

10. APPLICATION OF PROCEEDS

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

Firstly, in payment of all statutorily preferred debts and any other debts having priority to the Indebtedness and liabilities of the Chargor to the Chargee under this Charge;

Secondly, in payment of or making provision for all costs, charges, expenses and liabilities incurred by the Chargee in or about the realising of any security and all moneys payable by the Chargor to the Chargee by way of indemnity or compensation under this Charge;

Thirdly, in or towards payment to the Chargee of all interests, costs, commission, fees, financier charges and other charges owing to the Chargee under or arising from or in connection with this Charge;

Fourthly, in or towards payment of all principal amounts and other moneys owing to the Chargee under or arising from or in connection with this Charge; and

Fifthly, in payment of the surplus (if any) to, the Chargor or persons entitled thereto.

PROVIDED ALWAYS THAT notwithstanding any other provision in the agreement or any other document to the contrary, if the Chargee shall be of the opinion that the moneys recovered or received by the Chargee from any proceedings instituted or steps taken may prove deficient, payments may be made to the Chargee on account of principal before interest and any moneys (whether principal, interest or otherwise) received by the Chargee may be applied or appropriated by the Chargee in such manner and for such purpose as the Chargee may at its sole and absolute discretion deem fit but such alteration in the order of payment shall not prejudice the right of the Chargee 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.

11. AGREEMENT IN FORCE

This Charge shall remain in force until the Indebtedness is settled in full.

12. ASSIGNMENT

The Chargor shall not assign any and all his rights and/or obligations under this Charge. However, the Chargee may at its absolute discretion at any time assign all its rights, interests and obligations or any part thereof to such person or corporation as it shall deem fit and upon any such assignment the assignee shall assume and be entitled to the rights, interests and obligations comprised in the assignment as if the assignee had been the party to this Charge in place of the Chargee.

13. MODIFICATION AND INDULGENCE

The Chargee may at any time and without in any way affecting the security hereby created:

- (a) grant to the Chargor any time or indulgence;
- (b) 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 Chargor or any other person; and
- (c) compound with the Chargor or any other person.

14. COSTS AND STAMP DUTY

- 14.1 The Chargor shall and hereby undertakes to pay and bear all whatsoever costs, charges, registration and other fees, stamp duty and other disbursements in any way connected with or arising out of this Charge.
- 14.2 All costs, charges and expenses incurred hereunder by the Chargee including any expenditure incurred in the creation, enforcement and/or preparation of this Charge or in the giving of any notice or in the making of any demand under pursuant to or in respect of this Charge or any moneys secured by this Charge and all other moneys whatsoever paid by the Chargee in respect of the said costs, charges expenses and expenditure or otherwise or howsoever and all or any other sums and moneys paid or expended by the Chargee under or pursuant to the provisions of this Charge express or implied shall be payable by the Chargor to the Chargee on demand and shall bear interest thereon at the Prescribed Rate with monthly rests from the date of the sums having been paid or expended and such sums and interests shall on demand be paid to the Chargee by the Chargor and until payment shall be charged on the Property in addition to the principal sum hereby advanced and shall form part of the first payment due under this Charge.
- 14.3 Notwithstanding the provisions in Clause 14.2, the Chargee shall not be held responsible to ensure that all the outgoing payments in respect of the Property have been paid by the Chargor before the disbursement of the Loan by the Chargor.

15. DISCHARGE OF SECURITY

- 15.1 Upon repayment to the Chargee of the Indebtedness, the Chargor shall be entitled at his entire

cost and expense to obtain a discharge and release of the Property from the Chargee such discharge and release to be in such form as the Chargee shall in the circumstances consider appropriate.

- 15.2 However, so long as the Indebtedness and any moneys shall be owing by the Chargor to the Chargee and during the continuance of this Charge, the Chargee shall have the custody and possession of the title to the Property and of all other whatsoever documents evidencing any title to or right in the Property or any benefits or right annexed appurtenant or relating thereto or in any way connected therewith (hereinafter generally referred to as "**the Said Documents**").
- 15.3 Notwithstanding the provisions in Clause 15.2, the Chargee shall not be held responsible to have the custody and possession of the Said Documents upon the full repayment of the Loan together with all interest thereon and all other whatsoever moneys payable by the Chargor under this Assignment;

16. COMPULSORY ACQUISITION

In the event that the Property or any part thereof shall at any time become the subject matter of or be included in any notice, notification or declaration concerning or relating to acquisition by the Government of Malaysia or any government authority or any enquiry or proceedings in respect thereof, the Chargor shall forthwith inform the Chargee of the same and shall forward to the Chargee 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. The Chargee shall be entitled at the expense of the Chargor to engage such advisers and agents (including solicitors and valuers) as it may think fit for the purpose of appearing or attending at or advising upon any enquiry or proceedings affecting, concerning or relating to any such acquisition. All moneys received as or by way of compensation for the acquisition of the Property or any part thereof shall be applied in or towards the discharge or repayment of any money or liability secured by this Charge and the Chargor shall and hereby declares that the Chargor shall hold all moneys so received in trust for the Chargee and the Chargor agrees and confirms that the Chargee may receive and give a good discharge for all such monies.

17. SERVICE OF NOTICE/LEGAL PROCESS

- 17.1 Unless otherwise provided herein any demand or notice to the Chargor under this Charge shall be in writing and signed by the officer of the Chargee or any solicitor or firm of solicitors or any agent appointed, purporting to act for the Chargee and may be made by letter addressed to the Chargor and sent by ordinary post or dispatched by personal delivery to the address of the Chargor stated in Section 1 of the First Schedule hereto or the usual or last known place of business, employment or residence of the Chargor and any such notice if sent by post shall be deemed to have been received by the Chargor in the ordinary course of post notwithstanding the fact that such letter may be returned, undelivered or unclaimed. Any notice required under this Charge to be given to the Chargee shall be in writing and signed by the Chargor and may be made by letter addressed to the Chargor and sent by registered post or dispatched by personal delivery to the address abovestated of the Chargee or such other address as may be notified by the Chargee and shall only be deemed to have been served on the Chargee at the date of actual receipt thereof by the Chargee.
- 17.2 Any notice or communication may be in writing and may be delivered personally, by post, telex, cable or facsimile to the Chargor at the address herein stated. Proof of posting or dispatch of any notice or communication to the Chargor shall be deemed to be proof of receipt:-

- i) if personally delivered, at the time of delivery;
- ii) if posted, on the second business day after posting;
- iii) in the case of telex or cable, on the business day immediately after transmission; or
- iv) in the case of a facsimile, on the business day immediately after transmission provided that the Chargee has received an answer back confirmation.

17.3 No change in the Chargor's address herein stated howsoever brought about shall be effective or binding on the Chargee unless actual notice of the change of address has been given to the Chargee.

17.4 Notwithstanding anything to the contrary herein provided, any letter of demand, notice statement, reminder or certificate required to be given by Chargee hereunder shall not require to be under the hand of or signed by any officer of Chargee where it is stated on such letter of demand, notice, statement, reminder or certificate that the letter of demand, notice, statement, reminder or certificate that is computer generated and no signature is required.

18. LEMBAGA PEMBIAYAAN PERUMAHAN SEKTOR AWAM SCHEME

The Chargor hereby acknowledges that the Loan herein granted to the Borrower is subject to the provisions of Lembaga Pembiayaan Perumahan Sektor Awam (hereinafter referred as "LPPSA") scheme (hereinafter defined as "the Scheme") and the LPPSA lending policy and guidelines which such terms, conditions, and stipulations and modifications the Chargor hereby agrees to comply with. The Chargor further acknowledges that the granting of the Loan is subject to the LPPSA Act and the Borrower hereby agrees that he shall also comply with any applicable provisions of LPPSA Act.

19. SUCCESSORS BOUND

This Charge shall be binding upon the heirs, personal representatives, administrators, executors and permitted assigns of the Chargor and the successors in title and assigns of the Chargee.

20. INVOLUNTARY LOSS

The Chargee shall not be answerable for any involuntary loss that the Chargor may suffer as a result of or incidental to the exercise or the execution by the Chargee of any power conferred on the Chargee by this Charge or by statute and nothing herein contained shall render it obligatory on the Chargee either at law or in equity to make good any such involuntary loss or any part thereof.

21. DECLARATION FOR THE LOAN

The Chargor hereby declares, confirms and undertakes as follows:-

- (a) that all the information, particulars and declaration given, revealed and made by the Chargor in relation to this Charge are true; and
- (b) that neither the Chargor nor the spouse of the Chargor has taken any previous housing loan or facility from any bank, financial institution or party in respect of the Property, save

as otherwise disclosed to the Chargee.

In the event this declaration or any part thereof is found to be false, the Chargee may at its sole discretion recall the Loan or that part of the Loan for which this Charge is created and the decision of the Chargee shall be final and conclusive and shall not be questioned on any account whatsoever. If the Borrower should fail to repay the Loan or if it is recalled and/or if the Borrower fails to pay the additional interests payable or otherwise comply with the terms and conditions of the Loan as may be revised, the Chargee may recall or realise on the security given to the Chargee and/or seek to recover the amount then owing to the Chargee including the additional interests payable by any other means open to the Chargee as it deems fit.

22. TIME

Time shall be the essence of this Charge.

23. SEVERABILITY

If at any time any provision hereof is or becomes invalid, illegal or unenforceable in any respect, such provision shall be ineffective to the extent necessary without affecting or impairing the validity, legality and/or enforceability of the remaining provisions thereof.

24. DISCLOSURE

24.1 The Chargor hereby irrevocably consents to the disclosure by the Chargee of any information relating to this Charge and/or the Chargor's affair or accounts:-

- (a) to the Chargee's auditors, legal counsel and other professional advisors;
- (b) to any person who provides security interest and/or is a part to any agreements which may constitute or form the basis of such security interest;
- (c) to any relevant authorities having jurisdiction over the Chargee including the Ministry of Finance, Malaysia;
- (d) to companies which are or which in the future may be a subsidiary, related and/or associate company of the Chargee;
- (e) pursuant to any law or subpoena or order of the court; and/or
- (f) to anyone the Chargee deems fit if on a need to know basis.

24.2 The Chargor hereby irrevocably consents and authorises the Chargee to:-

- (a) use the information of the Chargor in accordance with the relevant terms and conditions and for the purpose(s) contemplated therein;
- (b) carry out the necessary reference checks, including but not limited to credit reference/reporting checks, to further ascertain the details and status of the Chargor; and
- (c) provide the Chargor, with information on the Chargee's products, services and/or offers which may be of interest and/or financial benefit to him;

at the Chargee's sole discretion without further reference to the Chargor for the duration that these terms and conditions are in force.

25. INDEMNITY

The Chargor shall at all times hereafter save harmless and keep the Assignee indemnified against all actions, proceedings, claims, demands, penalties, costs and expenses which may be brought or made against or incurred by the Assignee by reason or on account of the non-observance of all or any of the stipulations on the part of the Chargor contained in the Principal Sale and Purchase Agreement, the Related Documents, the Contract Document and/or Renovation Agreement or any other documents in relation thereto or otherwise howsoever.

26. WAIVER

No failure or delay on the part of the Chargee in exercising nor any omission to exercise any right, power, privilege or remedy accruing to the Chargee upon any default on the part of the Chargor shall impair any such right, power, privilege or remedy or be construed as a waiver thereof or any acquiescence to such default; nor shall any action by the Chargee in respect of any default or acquiescence in any such default, affect or impair any right, power, privilege or remedy of the Chargee in respect of any other or subsequent default.

27. APPLICABLE LAW

This Charge shall be governed by and construed in accordance with the laws of Malaysia but in enforcing this Charge, the Chargee shall be at liberty to initiate and take action or proceedings or otherwise against the Chargor in Malaysia and/or elsewhere as the Chargee may deem fit and the parties hereto hereby agree that where any action or proceedings are initiated and taken in Malaysia they shall submit to the non-exclusive jurisdiction of the courts of Malaysia of competent jurisdiction in all matters connected with the obligations and liabilities of the parties under or arising out of this Charge. The service of any writ of summons or any legal process in respect of any such action or proceedings may be effected on the Chargor by forwarding a copy of the writ of summons or other legal process by prepaid registered post to his address as indicated herein.

28. NON-CONTRAVENTION OF THE MALAY RESERVATION ENACTMENT/ LAND CODES

- 28.1 It is hereby declared that the transaction herein is not in any manner whatsoever intended to contravene any of the provisions of the respective Malay Reservations Enactment of the States of Peninsular Malaysia or the National Land Code (Penang and Malacca) Titles Act 1963 or the Labuan Native Title Act 2007 or Sabah Land Ordinance Cap 68 or Sarawak Land Code Cap 81 or the National Land Code 1965 (as the case maybe) and other applicable laws including but not limited to laws relating to restrictions on dealings with the Property .
- 28.2 In the event that the approval of a Ruler in Council or other relevant authority as the case maybe shall be needed or become necessary to give effect to the transaction herein, it shall be the responsibility of the Chargor to obtain such approval and the Chargor hereby undertakes to obtain the same.

29. PERSONAL DATA PROTECTION ACT 2010

The Chargor acknowledges and agrees that the Chargee shall be entitled to obtain, use, process and disclose data on the Chargor for the Chargee to discharge its duties under this Charge. Such data shall include names, telephone numbers, identity card numbers and addresses and such individuals have a right of access to the personal data that the Chargee may hold about such individuals pursuant to the Personal Data Protection Act 2010 (Act 709).

30. RECONSTRUCTION OF THE CHARGE

The security, liabilities and obligations created by this Charge shall continue to be valid and binding for all purposes whatsoever notwithstanding any change by amalgamation, reconstruction or otherwise which may be made in the constitution of the Chargee or of any company by which the business of the Chargee may for the time being be carried on and shall be available to the company carrying on that business for the time being.

31. CHANGES IN CIRCUMSTANCES

Notwithstanding any provisions to the contrary herein, in the event that by reason of the enactment of or the making of any change in any applicable law, regulation or regulatory requirement or in the interpretation or application thereof or the making of any request or direction from or other fiscal or monetary authority (whether or not having the force of law) the Chargee shall be of the opinion that it has or will become unlawful for it to or it is otherwise prohibited or prevented or maintain or give effect to all or any of its obligations as contemplated by this Charge then, notwithstanding any other provisions herein, the Chargee's obligation to make available the Loan shall forthwith be terminated.

32. ILLEGALITY

Where the introduction, imposition or variation of any law regulation or official directive or any change in the interpretation or application thereof by any competent authority makes it apparent to the Chargee that it is unlawful or impractical without breaching such law, order, regulation or official directive for the Chargee to maintain fund or give effect to the Chargee's obligations hereunder, the Chargee shall not then be liable or obliged to make available the Loan.

33. CUMULATIVE REMEDIES

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

34. EXPENDITURE INCURRED BY THE CHARGEES FOR AND ON BEHALF OF THE CHARGOR

All moneys expended by the Chargee hereunder from time to time for and on behalf of the Chargor (relating to Takaful/Insurance, quit rents, assessments, rates, taxes, repairs, legal costs, stamp duties, registration fees and all other outgoings including any expenses incurred by the Chargee in visiting, inspecting or reporting on the Property by the Chargee's agent and or consultants) shall be regarded as part of the Indebtedness and be indemnified by the Chargor on demand by the Chargee.

35. VARIATION OF TERMS

It is hereby agreed and declared by the parties hereto that notwithstanding any of the provisions

and terms of this Charge to the contrary, the provisions and terms of this Charge may at any time and from time to time, be varied and amended by mutual consents of the parties hereto by any means as the parties may agree upon from time to time, thereupon such amendments and variations 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 into and had formed part of this Charge at any time of execution hereof.

36. EFFECTIVE DATE

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

37. FORCE MAJEURE

Notwithstanding any other provisions herein, in the event the Chargee is unable to perform any obligations hereunder or any operations or to provide any service(s) due to any reason beyond the Chargee'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 Chargee shall not in any way be liable for any failure on its part to perform such obligations or for any inconvenience, loss, injury, damages suffered or incurred by the Chargor arising from the same.

38. CERTIFICATE OF INDEBTEDNESS

It is hereby agreed that any admission or acknowledgment in writing by the Chargor or by any person authorised on behalf of the Chargor or a judgment (by default or otherwise obtained against the Chargor) or a statement of account in writing showing the Indebtedness of the Chargor which is duly certified by an authorised officer of the Chargee shall, in the absence of manifest error or except where fraud is proven, be binding and conclusive evidence against the Chargor for whatever purpose including as being conclusive evidence of the Indebtedness in a court of law.

39. ALL PAYMENTS RECEIVED TO BE PAYMENT IN GROSS

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

40. CHARGOR AS PRINCIPAL DEBTOR

Although as between the Borrower and the Chargor, the Chargor is a surety/sureties only for the Borrower yet as between the Chargor and the Chargee, the Chargor shall be principal debtor and

the Property shall be the principal security for the moneys due under this Assignment and the Loan Agreement and accordingly the Chargor and the Property and every part thereof shall not be released at any time by any indulgence given to the Borrower or by any scheme of arrangement or composition entered into with the Borrower or by any act, matter or thing whereby the Chargor as a surety/sureties only or the Property or any part thereof might be released and discharged.

41. INDEPENDENT LEGAL ADVICE

The Chargor hereby confirms, represents and warrants to the Chargee that in the execution and delivery of this Charge, the Chargor has sought, obtained and relied upon his own independent legal advice and has not relied upon any representation, statement or advice from the solicitors agents or officers of the Chargee and the Chargor hereby acknowledges that the Chargee has accepted and entered into this Charge on the basis of and in full reliance upon the aforesaid confirmations, representations and warranties and the Chargor hereby further agrees, covenants and confirms that the aforesaid confirmations, representations and warranties shall survive and continue to have full force and effect after the execution and delivery of this Charge notwithstanding any investigation by or on behalf of the Chargee.

42. SECONDARY INSTRUMENT

IT IS HEREBY AGREED AND DECLARED that this Charge is among the instruments employed in one transaction to secure the Indebtedness within the meaning of Section 4(3) of Stamp Act, 1949 [Consolidated and Revised, 1989] and for the purpose of the said Section, this Charge is deemed to be the secondary instrument.

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IN WITNESS WHEREOF the parties hereto have hereunto set their hands the day and year first above mentioned.

SIGNED by)
THE CHARGOR)
in the presence of:-)
.....
Name:
NRIC No:
Army/Police No:

SIGNED by)
as Attorney for and behalf of)
LEMBAGA PEMBIAYAAN)
PERUMAHAN SEKTOR AWAM)
(THE PUBLIC SECTOR HOME)
FINANCING BOARD))
in the presence of:-)
.....
Name:
NRIC:

FIRST SCHEDULE

(which is to be taken and construed as an integral part of this Charge)

Section	Item	Particulars
1	Name and particulars of the Chargor(s)	Name: NRIC No.: Army/Police No: Address (per Letter of Offer)
2	Particulars of the Property	
3	Date of the Loan Agreement	