

SECURITIES BORROWING AND LENDING AGREEMENT

Account No. :

Date :

In consideration of Messrs MALACCA SECURITIES SENDIRIAN BERHAD (16121-H) a company incorporated in Malaysia and having a place of business at No.1, 3 & 5 Jalan PPM 9, Plaza Pandan Malim (Business Park), Balai Panjang, 75250 Melaka (hereinafter referred to as " Lender ") at the request of (NRIC No.:) of (hereinafter referred to as "Borrower") agreeing to lend securities to Borrower from time to time for the purpose to facilitate settlement of potential failed trades (as hereinafter defined), the Borrower hereby agrees and consents to the following :-

1. DEFINITIONS

For the purpose of this Agreement :

- 1.1 **"Business Day"** means a day (other than Saturdays, Sundays and public holidays) on which securities markets are open for business.
- 1.2 **"Clearing House"** means Bursa Malaysia Securities Clearing Sdn Bhd or any other clearing house approved for the purpose of clearing and settlement of securities.
- 1.3 **"Collateral"** means cash as agreed between the Lender and the Borrower in relation to any Loan and which are delivered by the Borrower to the Lender in accordance with this Agreement
- 1.4 **"Cutoff Time"** shall mean a time on a Business Day by which a transfer of cash or securities must be made by Borrower or Lender to the other, as shall be agreed by Borrower and Lender.
- 1.5 **"Eligible Securities"** means the securities prescribed by the Clearing House from time to time as approved for lending or borrowing.
- 1.6 **"Loan"** means each transaction constituted by the Lender lending to the Borrower the Loaned Securities pursuant to this Agreement
- 1.7 **"Loaned Securities"** means the Eligible Securities borrowed by the Borrower from the Lender pursuant to the terms and conditions in this Agreement.
- 1.8 **"Market Value"** means:
 - a. in relation to the valuation of Loaned Securities or Collateral;
 - b. such price as is equal to the market quotation for the mid-price of such Loaned Securities or Collateral as derived from a reputable pricing information service reasonably chosen in good faith by Lender; or
 - c. if unavailable, the market value thereof as derived from the mid price or rate bid by a reputable dealer for the relevant instrument reasonably chosen in good faith by Lender.
- 1.9 **"Potential failed trades"** means the sale of securities where there are no securities or insufficient securities in the account to meet the delivery obligation to the purchaser as a result of mistake made in good faith and discovered only after the sale has been executed
- 2.0 **"Parties"** means Lender and Borrower and Party shall be construed accordingly.
- 2.1 **"SBL"** means Securities Borrowing and Lending

2. LOANS OF SECURITIES

- 2.1 Lender will lend Eligible Securities to Borrower, and Borrower will borrow Eligible Securities from Lender in accordance with the terms and conditions of this Agreement. The terms of each Loan shall be agreed prior to the commencement of the relevant Loan either orally or in writing (including any agreed form of electronic communication) and confirmed in such form and on such basis as shall be agreed between the Parties. Unless otherwise agreed, any confirmation produced by a Party shall not supersede or prevail over the prior oral, written or electronic communication (as the case may be).
- 2.2 Notwithstanding any other provision in this Agreement regarding when a Loan commences, a Loan hereunder shall not occur until the Eligible Securities and the collateral therefore have been transferred in.

3. TRANSFER OF ELIGIBLE SECURITIES

Unless otherwise agreed, Lender shall transfer the Loaned Securities to Borrower hereunder on or before the Cutoff Time on the date agreed to by Borrower and Lender for the commencement of the Loan.

4. COLLATERAL

- 4.1. Borrower undertake to deliver or deposit with Lender (or in accordance with Lender's instructions) collateral before Delivery of the Eligible Securities to which the Loan relates and in any event no later than Close of Business on the Settlement Date.
- 4.2. The collateral transferred by Borrower to Lender, shall be security for Borrower's obligations in respect of such Loan and for any other obligations of Borrower to Lender. Borrower hereby pledges with, assigns to, and grants Lender a continuing first security interest in, and a lien upon, the collateral, which shall attach upon the transfer of the Loaned Securities by Lender to Borrower and which shall cease upon the transfer of the Loaned Securities by Borrower to Lender. It is understood that Lender may use or invest the collateral, if such consists of cash, at its own risk. Lender may pledge, repledge, hypothecate, rehypothecate, lend, relend, sell or otherwise transfer the collateral in any name other than Borrower.

5. FEES APPLICABLE TO LOANED SECURITIES

Borrower agrees to pay Lender SBL fees of 13% p.a of each Loaned Securities MTM value computed daily, up to nine ((9) market days or min SBL fees of RM300.00 (whichever is higher) and CDS transfer fees for each Loaned Securities.

6. CORPORATE ACTION DURING THE LOAN PERIOD

- 6.1. Lender shall be entitled to receive all distributions made on or in respect of the Loaned Securities which are not otherwise received by Lender, to the full extent it would be so entitled if the Loaned Securities had not been lent to Borrower.
- 6.2. Any cash distributions made on or in respect of the Loaned Securities, which Lender is entitled to receive pursuant to Section 6.1, shall be paid by the transfer of cash to Lender by Borrower, on the date any such distribution is paid, in an amount equal to such cash distribution. Non-cash distributions received by Borrower shall be added to the Loaned Securities on the date of distribution and shall be considered such for all purposes, except that if the Loan has terminated, Borrower shall forthwith transfer the same to Lender.

7. MARK TO MARKET

7.1. Lender shall daily mark to market any Loan hereunder and in the event that at the close of trading on any Business Day the market value of the collateral for any Loan to Borrower shall be less than 110% of the market value of all the outstanding Loaned Securities subject to such Loan, Borrower shall transfer additional collateral no later than the close of the same Business Day so that the market value of such additional collateral, when added to the market value of the other collateral for such Loan, shall equal 110% of the market value of the Loaned Securities.

8. RETURN OF LOANED SECURITIES

8.1. Borrower must return the Loaned Securities within six (6) market days after the date of the execution of the potential failed trade or any other period as agreed by the Lender in writing (including any agreed form of electronic communication). If the Loaned Securities is not returned within the stipulated time Borrower will have to pay the Lender the applicable charges.

9. TERMINATION OF LOAN

Lender's right to terminate a Loan

Lender shall be entitled to terminate a Loan and to call for the delivery of all Loaned Securities at any time by giving notice on any Business Day of not less than the standard settlement time for such Loaned Securities on the exchange or in the clearing organisation through which the Loaned Securities were originally delivered. Borrower shall deliver such Loaned Securities not later than the expiry of such notice in accordance with Lender's instructions.

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

SIGNED by LENDER)
_____)
NRIC No.: _____)
for and on behalf of the Company)
)
)
in the presence of :-)
_____)
NRIC No.: _____)

SIGNED by BORROWER)
_____)
NRIC No.: _____)
)
)
in the presence of :-)
_____)
NRIC No.: _____)