

## ASSET MANAGEMENT PROCESS

### **Perfection of Titles / Charges**

- A. Legal Officer shall collate documents required for perfection and process deeds for execution by the bank (where necessary)
- B. Perfection of title / charges entails the following:
- Perfection of Mortgages—on landed properties, aircrafts and vessels.
  - Perfection of Titles (for acquisition of properties whether to be owned by the bank or being financed by the bank for another); and
  - Perfection of Debentures—Fixed & Floating Debentures, All Assets Debenture, Mortgage Debentures, etc.
- C. Legal Officer shall make recommendation to the Head, Legal (through the Team Lead / senior officer in the team) on nomination of Solicitor and the Head, Legal shall review same and then passes it to the Chief Legal Counsel for approval (The Legal Officer shall ensure to stick with the Bank's pre-selected solicitor, or the solicitor approved by the Head, Legal as the case may be)
- D. Legal Officer shall confirm availability of fees for perfection warehoused in the escrow account or advise the requesting unit or branch to credit Legal Escrow Account with perfection fees with a confirmation of same (For new acquisitions made by the bank, Legal Officer shall ensure the necessary approvals and instruction to perfect is in place)
- E. Where requesting unit or branch fails to provide funds or outstanding documents required for perfection of security after the request, Legal Officer should advise Finance Operations (FINOPS) through the Team Lead on the concurrence of Head of Legal to debit the customer's account for funds or for procurement of documents (the requesting unit or branch will be advised accordingly)
- F. Legal Officer shall brief the nominated external solicitor (with concurrence of Team Lead /senior officer in the team) for commencement of perfection at the relevant registry and provide solicitor with documentation required for progress of perfection (Securities that require perfection shall be assigned only to the bank's approved solicitor for perfection)
- G. Perfections can be undertaken at the following Registries: State Land Registries for properties falling under State Governments
- Federal Land Registry for lands within the control of Federal Government; or
  - Corporate Affairs Commission for perfection of charges on properties of a company.

I. Legal Officer shall monitor progress of perfection progress closely, obtain periodic updates from solicitors and keep records of updates on status of each perfection. For the purpose of reporting, the stages of perfection are:

- Preliminary Stage;
  - Survey Stage;
  - Assessment Stage;
  - Consent Stage; and ▪
- Registration Stage.

J. If the Solicitor cannot obtain the documents required, Legal Officer shall raise an exception report to the Executive Management through the Head of Legal.

K. Present payment request for Finance or Branch Operations to cause a debit to be passed unto the relevant accounts and raise drafts for necessary payments

L. Upon completion of perfection, perfected documents shall be vaulted (with copy sent to the requesting unit or branch and payment is processed through Finance or Branch Operations for payment of solicitor's fees

M. Legal Officer should ensure record perfected titles received to be entered in the titles register and file counterpart in customer's file (originals are put in fireproof cabinet for safe keeping)

N. Where the legal mortgage or debenture involves multiple lenders or banks, the banks concerned must be carried along in the review and registration of perfection documents and each will retain copies of the documentation upon conclusion of perfection

### ***Up-Stamping Procedure***

For up-stamping of collaterals pledged as security see procedure described in this Section 3 (above) for perfection of collaterals.

### ***Land Search / Verification Procedure***

The Legal Officer shall do the following – A.

Receive request with copy of Title document.

B. Request originals of title documents for verification.

C. Engage external counsel to conduct search / verification on title to property.

D. Receive search / verification report from external solicitor.

E. Prepare an opinion based on the search / verification report.

F. Forward opinion and the search / verification report to the requesting unit.

G. Present payment request for Finance or Branch Operations to credit solicitors and debit the relevant accounts for search / verification fee.

***Release of Titles / Collaterals***

- A. Customer sends a request for release of security documents to the branch upon liquidation of its indebtedness.
- B. Branch obtains the requisite approval and forwards the request to the Credit Administration (CAD).
- C. CAD reviews the status of the account and processes the release request
- D. Once request is received in Legal, Legal Officer reviews the customer's files viz a viz the approval from CAD
- E. If no encumbrance, title documents or collaterals are released to the branch for release to customer.
- F. If encumbered, Deed of Release is prepared upon payment of prescribed fees and forwarded to the branch for release to customer
- G. Confirm if there are outstanding fees to be paid for perfection and ensure such fees are collected before proceeding with release
- H. Legal Officer updates the records of release in the perfection / release schedules