

RHB Indochina Bank

CONSUMER LOAN APPLICATION

Branch	City Mall Olympic Branch	Date	27-May-2014
To	Deputy Country Head	CA No.	RHBIBL-0002-2014-0020

Borrower(B) / Guarantor(G) Profile						
No.	Name	B/G	ID /Passport No.	Age		
1	Mr. Cheav Seng	B	010013940		Borrowing Relationship Since (Year)	N/A
2	Mdm. Lay Yeang	B	010022807		Related / Connected Party	Y N
					Borrow KYC Level	H M L
					Credit Grade	4

Request			
1. New HL of USD160,000.00			Request for
			Age deviation
			DSR deviation
			MOA deviation
			Y N
			N N
			N N

Loan Details							
Type	Existing Limit (USD)	Proposed Limit (USD)	Total Limit (USD)	Outstanding Balance	Pricing (Current ECOF @ 5.25%)	Repayment Period (Years)	Repayment Amount (USD)
Housing Loan (New)	-	160,000	160,000	-	ECOF + 3.25%p.a. on monthly rest subject to minimum 8.50%p.a.	12	1,777.00

Note: Branch proposed interest rate with 8.5%p.a. based on the following ground:

- Borrowers are related as relatives with Mr. Seng Sokchea, who uses TL with RHBIBL with interest rate 8.5%p.a.
- Borrowers is referred from Mr. Seng Sokchea
- CIMB is promoting HL package with interest rate of 8%p.a and free of charge of processing & lawyer fee.
- Borrowers will bring us some businesses such as remittance.

Loan Purpose					
I. To part finance the purchase of a ground floor of double-storey flat.				II. N/A	
Under Construction	Y	N	Completed from developer	Y	N
Name of Developer	: N/A				
Panel	: Y/N				
Unit Capping	: N/A				
Approved unit @ to date	: N/A				
%, of completion	: 100				
SPA Price	: USD233,000.00				

Note:

As per SPA dated on 13 May 2014, Borrowers purchased a ground floor of a double-storey flat amounting to USD233,000 and USD20,000 was paid already on the signing date while the sum of USD30,000 will deposited on 10 June 2014. The remaining balance (USD183,000) is to pay to the seller upon the completion of ownership transfer to Buyers' name.

III. Refinancing					
Bank	Approved / Operating Limit	Outstanding Balance	Pricing	Repayment Record	Remark
N/A	N/A	N/A	N/A	N/A	N/A
IV. Others					
N/A					

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Details of Property to be Charged		
	Property 1	Property 2
Address	No. 240DEo, St.182, Sangkat Phsar Depo 1, Khan Toul Kork, Phnom Penh.	
Land Area	66.60sqm	
Built Up Area	66.60sqm	
Title Details		
i. Title No/Expiry Date of LH	15041	
ii. Tenure – FH/LH (Balance of Years)	Freehold	
iii. Registered Owner	Mr. Sok Kimheng and Mdm. Ven Sok Pov (To be transfer under the name of Mr. Cheav Seng and Mdm. Lay Yeang)	
iv. Encumbrances	None	
v. Restriction in Interest/Conditions	None	
Registered Owner's Relationship With borrower	Husband and Wife	
Fire Insurance by	To be insured by RHBIBL's panel	
Cross Charge (Y/N) (Please furnish details if "Y")	N	
Valuation		
i. Formal Valuation		
- Land Value	<u>To be issued by C.A.R.E</u>	
- Building Value		
- Total OMV		
- Value Name		
- Date		
ii. Verbal/Cross Check with CARE	Verbal 1	Verbal 2
- Land Value	66.60sqmx3,153.15=USD210,000	66.60sqmx3,303.30=USD220,000
- Building Value	66.60sqmx300=20,000.00	66.60sqmx300=20,000.00
- Total OMV	USD230,000.00	USD240,000.00
- Value Name	C.A.R.E	KRE
- Date	23 May 2014	23 May 2014
Total OMV	USD230,000	
Comments on Valuation	The indicated value by the two valuers is reasonable comparing to the SPA value. However, we adopt the indicated value by C.A.R.E since it is lower than KRE.	
SPA	USD233,000.00	Comment: The value of purchased house is reasonable as quoted by KRE and CARE.
Margin of Financing (%)	69.57%	
Security Coverage (Times)	1.44x	

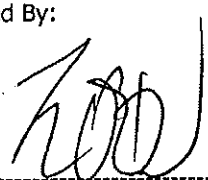
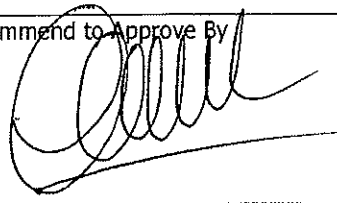
Conduct of Account I) With RHBIBL (Own/Related Account)					
Name	Facility	Approved/ Operating Limit	Outstanding Balance	Pricing	Conduct
N/A	N/A	N/A	N/A	N/A	N/A

Conduct of Account II) With other financial institution					
Bank	Facility	Approved/ Operating Limit	Outstanding Balance	Pricing	Conduct
N/A	N/A	N/A	N/A	N/A	N/A

According to the CBC Check on 26 May 2013, Borrowers have no borrowing with other banks or FIs.

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Repayment Risk Analysis		
Total monthly Income	EBIT/EBITDA	USD5,611.96
Less Total Commitment	i) RHBIBL (HL)	USD1,777.00
	ii) Other Banks	-
Balance Uncommitted		USD3,834.96
Estimated / Disclosed Net worth		USD600,000.00
Within Bank Lending Criteria	1/3 Income	Y
	45% Income	Y
Risks		Mitigating Factors
- Competitor		- Borrowers have strong relationship with customers and they have exclusive right to distribute paint from Tang Pheng Por Co., Ltd.

Recommendation	
Prepared By:	Recommend to Approve By:
	
Hour Chamroeun Senior Associate/Credit Officer 29-05-2014	Chiv Hak AVP / Branch Manager 29-05-2014

Head office use only	
Comment by Loan and Credit Administration	
Term Sheet	
HL	USD160,000 Tenure: 12 Years Installment amount: USD1,777.00 Processing fee: 1% (USD1,600) Prepayment: 1st to 5th year: 3% on prepayment amount if the facility is fully/partially settled before expiry date. 6th to 12th year: 1% on prepayment amount if the facility is fully/partially settled before expiry date.
Condition precedent: <ol style="list-style-type: none"> 1. Acceptance of Letter of Offer 2. Payment of processing fee of 1% on approval limit (USD1,600) 3. Release of facilities subject to :- <ol style="list-style-type: none"> a) Compliance of Terms under Condition Precedent. b) Completion of relevant security documentation. All loan/security documents which are required herein and/or such other documents as may be required by the Bank and/or its solicitors shall have been executed by the Applicants and/or the relevant security parties, registration fee duly paid and registered at such registries as the Bank may deem necessary. c) Receipt of Valuation Report from RHBIBL's panel valuer on the subject properties not less than USD230,000.00 	
Disbursement method: Upon submission of the TD under name of borrowers and completion of charging the title deeds in favor of RHBIBL, the HL is to be released by issuing Banker Check (USD160,000) under name of seller.	
Post drawdown condition: Borrower is to submit Patent License within 3 months from disbursement date.	
Other terms and conditions (if any): N/A	
Other comments:	

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Appendix I

Repayment Analysis				
Item	Yes	No	NA	Remark (mandatory if "NO" is (x))
Employment Confirmation Letter		x		
Salary slip for the last 3 months		x		
Income statement (P&L)	Y			
Sale/Purchase invoices (for the last 3 months)	Y			
Balance Sheet		x		
Income Projection	Y			
Lease Agreement	Y			

Income statement

Paint and Construction Materials	31 Dec 2012	31 Dec 2013	30 Apr 2014
Revenue	12-mths (USD)	12-mths (USD)	4-mths (USD)
Sale	457,920.00	480,816.00	165,080.16
Cost of Goods Sold	366,336.00	384,652.80	132,064.13
Gross Profit	91,584.00	96,163.20	33,016.03
Operating expenses			
- Salary expense	7,632.00	8,013.60	2,751.34
- Utilities	2,544.00	2,747.52	943.32
- Telephone	530.00	572.40	196.52
- Rental	6,000.00	6,000.00	2,000.00
- Other expenses	10,939.20	11,486.16	3,943.58
Total Operating expenses	27,645.20	28,819.68	9,834.76
EBIT	63,938.80	67,343.52	23,181.28
Monthly Average EBIT	5,328.23	5,611.96	5,795.32
Current DSR	Total EBIT / EBITDA -Jan-Dec 2013 (USD5,611.96) ----- = 3.16x Total commitment (USD1,777.00)		

Paint and Construction Materials	31 Dec 2014	31 Dec 2015	31 Dec 2016
Revenue	12-mths (USD)	12-mths (USD)	12-mths (USD)
Sale	504,856.80	530,099.64	556,604.62
Cost of Goods Sold	403,885.44	424,079.71	445,283.70
Gross Profit	100,971.36	106,019.93	111,320.92
Admin & Operating expenses			
- Salary expense	8,414.28	8,834.99	9,276.74
- Utilities	2,884.90	3,029.14	3,180.60
- Telephone	601.02	631.07	662.62
- Rental	6,000.00	6,000.00	6,000.00
- Other expenses	12,060.47	12,663.49	13,296.67
Total Operating expenses	29,960.66	31,158.70	32,416.63
EBIT	71,010.70	74,861.23	78,904.29
Monthly Average EBIT	5,917.56	6,238.44	6,575.36

Existing Security Document	New / Complied
Facility agreement of USD160,000 as principal instrument	New
Hypothec Agreement as subsidiary instrument on Property 1	New
Personal guarantee / Corporate guarantee	N/A

Credit Evaluation – Loans and Credit Administration							
Date:	:	29/05/2014			Branch	:	City Mall Olympic Branch
From	:	Credit Evaluation – Loans and Credit Administration					
To	:	- Deputy Country Head					
1.0 Borrower Information							
Borrower:	1	Mr. Cheav Seng			Nature of business/ Employment	1	Construction Material
	2	Mdm. Lay Yeang				2	
Guarantor:	1				Borrowing R'ship since:	New	
	2						
CRR Grade	4						
2.0 Term Sheet							
New / Additional	Facility	Existing Limit (USD)	Proposed Limit (USD)	O/s balance	Tenure	Interest rate ECOF = 5.25%	
New	HL	-	160,000	-	12 years	ECOF +3.25% on monthly rest subject to min 8.5% p.a	
Total		-	160,000	-			
Fees	Processing fee		:	1% on approved limit			
	Prepayment fee		:	1 st to 5 th years: 3% 6 th to 12 th years: 1%			
	Renewal fee		:	Nil			
	Commitment fee		:	Nil			
Loan purpose:	- To part finance the purchase of a ground floor of double storey flat.						
Request/ Deviation:	- Nil						
3.0 Comment by Credit Evaluation:							
1. Applicant is engaged as construction material dealer (Paint, brushes, ceramic brick...) namely Rattanak Pich which is well located at No. 27CE ₀ , St. 271, Sangkat Teuk thla, Khan Sen Sok, Phnom Penh. 2. Applicant has good income from business of USD5.6K per month and provide DSR of 3.16 times.							

3. The subject property is in the middle of Phnom Penh City along central business center. It is located at No. 240DE₀, St. 182, Sangkat Phsar Depo 1, Khan Toul Kork, Phnom Penh in property is currently occupied and they will move in after the purchase.

4.0

Concurred by Credit Evaluation

✓ We would like to concur to branch's recommendation for management approval

Prepared by :

Seng Soknin

Seng Soknin
Associate
Date: 29/05/2014

Concurred by :

Tang Siew Hon

Tang Siew Hon
Assistant Vice President
Date : 29/05/2014

Concurred by :

Subject to:

- ① This is a new relationship and branch should not drop the rate to 8.5%, branch should only consider the reduction by the next facility review.
- ② Branch to attempt at 9% pa-

Yong Ching San

Yong Ching San
Head of Loans and Credit Administration
Date: 3/6/14

Approved by:

Subject to:

- Approved on exceptional basis at 8.5% (9.0% on b.e.b.)
- Branch to report the remittance business supported by customer in next review.

Wong Kee Poh
Wong Kee Poh
Deputy Country Head
Date: 4/6/14