
FACILITY AGREEMENT

Between

**MEGA INTERNATIONAL COMMERCIAL BANK,
PHNOM PENH AIRPORT SUB-BRANCH
as Bank**

and

**Mr. SIN VOUN and Mdm. TANG SIVKGECH
as Borrower**

Dated: 14 AUG 2015

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THIS FACILITY AGREEMENT is made this 14 AUG 2015 by and between:

1. **Mega International Commercial Bank, Phnom Penh Airport Sub-Branch**, as a Cambodian sub-branch of a foreign bank, incorporated under the laws of Cambodia, with the registered address at No. 601, Confederation De La Russie Blvd (110), Sangkat Karkarb, Khan Porsenchey, Phnom Penh, Cambodia, represented by **Mr. HUANG YAO TSUNG**, Sub-Branch Director, Republic of China (R.O.C) (Taiwan) citizen holding R.O.C Passport No. 308034686 issued on 14 October 2013 (the "**Bank**"); and
2. **Mr. SIN VOUN**, a citizen of Cambodia, holding Identification Card No. 010552816 issued on 04 September 2006, and **Mdm. TANG SIVKGECH**, a citizen of Cambodia, holding Identification Card No. 010797011 issued on 25 September 2012, whose resident address: No. 315, Street 271, Sangkat Tumnub Teuk, Khan Chamkamorn, Phnom Penh, Cambodia (collectively the "**Borrower**").

RECITALS

- (A) **WHEREAS** the Borrower desires to borrow from the Bank the Facility in the amount as specified in Clause 2 below.
- (B) **WHEREAS** the Bank is willing, subject to and upon the terms and conditions herein set forth, to lend such amount to Borrower.

IT IS HEREBY FREELY AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Agreement means this Facility Agreement and all schedules, exhibits and incorporated attachments, and however labeled or titled, as the same may from time to time be amended, modified, novated, restated, replaced or supplemented.

Authorization means an authorization, consent, approval, resolution, license, exemption, filing, notarization or registration.

Availability Period means the period stated in Schedule 1 of this Agreement.

Business Day means a day (other than Saturday or Sunday or any public holiday) on which banks are generally open for business in Cambodia.

Certificate of Status means a written certificate or statement with the description or confirmation that there is no existing Event of Default (as defined below) and no existing Material Adverse Effect (as defined below) as to business, assets and/or the financial condition of Borrower or any guarantor or obligor which is a party to any of the Security Documents since the date such information was given to the Bank.

Drawdown Date means the date on which each drawdown is made pursuant to the Facility (as defined below).

Event of Default means any event or circumstance specified in Clause 15 (Events of Default).

Facility means either the OD Facility (as defined below) or the Term Loan Facility if only one of these Facilities is granted, or it means both the OD Facility and the Term Loan Facility collectively if both are granted. The central parameters of the Facility are as stated in Schedule 1. In any event, Facility means the Facility as originally granted, or as the same may from time to time be amended, modified, novated, restated, renewed, replaced or supplemented.

Government Authority means any legislative, executive, administrative, regulatory, judicial or other body of any national, supranational, regional, local or other governmental authority,

OD Facility (or Overdraft Facility) means the overdraft facility, if any, granted or agreed to be granted or made available by the Bank to the Borrower under this Agreement.

Offer Letter means that document entered into between the Parties by which the Parties confirm their agreement as to various Facility parameters that are incorporated into this Agreement by way of Schedule 1 (Term Sheet), as the same may have from time to time be amended, modified, novated, restated, replaced or supplemented.

Party means a party to this Agreement and **Parties** means both of them.

Repayment Date means that due day for the repayment, which

- (a) for the Term Loan Facility **the 1st monthly installment** shall be due on **the 1st day** of the following month if the Term Loan is fully drawn down before **the 16th day**
- (b) of the calendar month or on the 1st day of the month following the next month if the Term Loan is fully drawn down on or after the 16th day of the calendar month and thereafter on the 1st day of each successive calendar month; and
- (c) for the OD Facility is **seven (7) Business Days** after demand by the Bank or payable immediately at the end of Availability Period.

Security means the security created or agreed to be created pursuant to the Security Documents to secure all amounts owing to the Bank under this Agreement.

Security Documents means any mortgage, guarantee, guarantee and indemnity, pledge, lien, charge, assignment, security agreement, enterprise mortgage, security interest, title retention, guarantee, any future record or writing given as Security or in furtherance of Security, and however labeled or titled, as the same may from time to time be amended, modified, novated, restated, replaced or supplemented.

Schedule 1 means Schedule 1 (Term Sheet) attached hereto and/or incorporated herein by this reference, as the same may from time to time be amended, modified, novated, restated, replaced or supplemented.

Schedule 2 means Schedule 2 (Conditions Precedent Documents) attached hereto and/or incorporated herein by this reference, as the same may from time to time be amended, modified, novated, restated, replaced or supplemented.

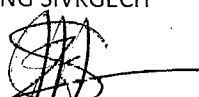
Tax means any tax, levy, impost, duty or other charge or withholding of similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

Term Loan Facility means the term loan facility granted, agreed to be granted or made available by the Bank to the Borrower under this Agreement.

USD or US Dollar means the lawful currency of the United States of America for the time being.

1.2 Interpretation

- (a) Unless a contrary intention appears, any reference in this Agreement to:
 - (i) "the Bank", the "Borrower" and any "Party" shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
 - (ii) this "Agreement" or any other document or instrument is a reference to this Agreement or that document or instrument as amended, novated, supplemented, extended or restated from time to time;
 - (iii) a "law" is a reference to it as it is in force for the time being, including any amendment, extension, application or re-enactment and includes any subordinate legislation for the time being in force made under it;



- (b) Unless a contrary intention appears, in this Agreement:
- (i) headings are for convenience only and do not affect the interpretation of this Agreement; and
 - (ii) Words importing the singular include the plural and vice versa, and neuter.

2. FACILITY

Subject to and upon the terms and conditions herein set forth, the Bank provides to the Borrower and the Borrower accepts from the Bank the Facility with the amount thereof stated in Schedule 1 (Term Sheet). The Borrower shall apply all amounts of the Facility solely for the purposes described in Schedule 1.

3. PROVISIONS AS TO FACILITY

3.1 As to the Term Loan Facility (if any is described in Schedule 1),

- (a) the provisions set out in Schedule 1 (Term Sheet) are incorporated herein; and
- (b) Once an amount has been drawn down by the Borrower pursuant to the Term Loan Facility, such amount cannot be re-borrowed even in the event the amount is repaid to the Bank and the Availability Period has not expired.

3.2 As to the Overdraft Facility (if any is described in Schedule 1):

- (a) the provisions set out in Schedule 1 (Term Sheet) are incorporated herein;
- (b) once an amount drawn down by the Borrower pursuant to the OD Facility has been repaid to the Bank, the Borrower may re-borrow this amount, subject to the terms of this Agreement;
- (c) the OD Facility is subject to a review on an annual basis or at an interval of **180 days** or at any other intervals set forth in Schedule 1 and the payment of the Commitment & Renewal Fee as stated in Schedule 1; and
- (d) the Bank, in its absolute discretion, may at any time, with or without good cause, suspend or terminate the OD Facility by issuing notice of suspension or termination.

4. DISBURSEMENT

Subject to Clause 5 (Conditions Precedent):

- 4.1 As to the Term Loan Facility (if any) the Borrower is, from time to time, on or before close of business on the last Business Day of the Availability Period, entitled to draw amounts pursuant to the Term Loan Facility up to the Term Loan Facility limit, in a single drawdown or in multiple drawdown(s). Any amount of the Term Loan Facility remaining undrawn will automatically be cancelled and will cease to be available for drawdown on the last day of the Availability Period.
- 4.2 As to the OD Facility (if any) the Borrower is, from time to time, during the Availability Period entitled to draw amounts pursuant to the OD Facility up to the OD Facility limit, by any transaction method then authorized by the Bank.

5. THE CONDITIONS PRECEDENT

The following conditions precedent applies to each and every drawdown made by the Borrower:

- 5.1 The Borrower may not make any drawing on the Facility until the Bank has received each of the documents set out in Schedule 2 (Conditions Precedent Documents) in form and substance

satisfactory to it, or has waived in writing receipt of such documents, either absolutely or conditionally.

5.2 The obligation of the Bank to fund the Facility is additionally subject to the conditions precedent that the following are true at the time of each drawdown of the Facility:

- (a) the representations (including those in Clause 12 of this Agreement) made by the Borrower are correct in all material respects, and there is no material matter that has not been disclosed;
- (b) there is no Event of Default, and there is no condition, event or act which, with notice or lapse of time, or both, would constitute an Event of Default, and there is no circumstance pending or threatened that may mature into an Event of Default; and
- (c) there has been no Material Adverse Effect with respect to the business, assets and/or financial condition of the Borrower or any guarantor or obligor which is party to any of the Security Documents since the date such information was provided to the Bank.

5.3 This Clause 5 is only for the benefit of the Bank and may be waived, or may be waived subject to conditions, by the Bank in its sole discretion.

6. REPAYMENTS

6.1 The Borrower shall repay of the Facility on the Repayment Date.

6.2 Where the Term Loan Facility has yet to be fully drawdown, the Borrower shall pay interest at the stipulated Interest Rate on the amount drawdown on the Interest Payment Date.

6.3 All amounts whatsoever payable under this Agreement from the Borrower to the Bank must be:

- (a) made in immediately available funds, in the currency of the Facility, during banking hours at any branches of the Bank in Cambodia on the due date of such amounts;
- (b) calculated and made without deduction for set off or counterclaim or dispute;
- (c) made, if no other due date is clearly specified in this Agreement, not later than **seven (7) Business Days** after demand by the Bank; and
- (d) Made on its due date and if the due date is not a Business Day the due day shall be extended to the next succeeding Business Day.

6.4 Amounts received by the Bank shall be applied, unless this Agreement or the Security Documents mandate otherwise, to amounts then payable by the Borrower, as the Bank in its absolute discretion determines appropriate.

6.5 The entire unpaid balance of the Facility shall be repaid by the Borrower on the earlier of the Repayment Date or such other date that may become applicable under the provisions of this Agreement.

7. PREPAYMENT AND CANCELLATION

7.1 The Borrower may prepay all or any part of the Term Loan Facility – upon the following terms and conditions:

- (a) the Borrower must give the Bank at least **two (2) months** prior written notice of intent to prepay and must pay such amount within **one (1) month** of the expiry of the **two (2)-month notice period**;

- (b) if the Borrower fails to give at least **two (2) months** prior written notice, the Borrower must pay the Pre-Payment Fee specified in the Term Sheet attached hereto as Schedule 1; and
- (c) if the Borrower fails to pay the prepayment amount within one (1) month after the expiry of the **two (2)-month notice** period, the Borrower, if the Borrower intends to prepay, must give again a **two (2)-month** advance notice.

7.2 Any prepayment made under Clause 7 shall be applied by the Bank in accordance with the provisions set out in Clause 6 (Repayments).

7.3 The Borrower is not entitled to cancel the Term Loan Facility or any part thereof. At the Bank's sole and absolute discretion, the Bank may allow the Borrower to cancel the Term Loan Facility or any part thereof subject to the payment made by the Borrower of the Set-Up Fee, the Processing Fee and/or the Pre-Payment Fee as stated in Schedule 1.

8. INTEREST

8.1 Interest Rate

The Interest Rate is as stated in Schedule 1.

Interest shall accrue from and including the first day of the applicable Interest Period and be calculated on the number of days elapsed using a **360-day** year.

8.2 Payment of Interest

The Borrower shall on the Interest Payment Date pay accrued Interest on the outstanding principal balance of the Facility.

8.3 Default Interest

Default interest arises when the Borrower fails to pay when due any amount payable by it under this Agreement. Default Interest is at the rate set out in Schedule 1. Default Interest shall:

- (a) accrue from day to day from the due date to the date of actual payment, after as well as before judgment, if any;
- (b) be calculated on the basis of the actual number of days elapsed and a **360-day** year;
- (c) be compounded at the end of each default interest period; and
- (d) be due and payable forthwith upon demand.

Each determination by the Bank of the interest rates applicable to overdue amounts and of default interest period shall be final, conclusive and binding upon the Borrower unless shown by the Borrower to the satisfaction of the Bank that any such determination has involved manifest error.

9. FEES

The Borrower shall pay to the Bank the Set-Up Fee, the Processing Fee, the Commitment Fee & Renewal Fee (if any), and the Pre-Payment Fee (if any) as stated in and required by Schedule 1.

10. TAX

10.1 The Borrower shall pay or cause to be paid all Taxes levied or imposed, now or in the future, by any Government Authority or by any jurisdiction out of which or through which amounts are paid under this Agreement, on or in connection with the payment of any amounts due to the Bank under this Agreement.

10.2 All payments of principal, interest, fees and other amounts due under this Agreement shall be made without deduction for or on account of any Tax, provided that in the event that the Borrower is prevented by operation of law or otherwise from making or causing to be made those payments without deduction, the principal, interest, fees or other amounts due under this Agreement shall be increased to such amount as may be necessary so that the Bank receives the full amount it would have received had those payments been made without that deduction.

11. INDEMNITIES FOR COSTS AND EXPENSES

11.1 General Indemnities

The Borrower shall, on demand by the Bank, indemnify the Bank against any cost, loss or liability incurred by the Bank as a result of:

- (a) the occurrence of any Event of Default;
- (b) a failure by the Borrower to pay any amount due under this Agreement on its due date;
- (c) funding, or making arrangements to fund a Facility requested by the Borrower in a drawdown request but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of gross negligence by the Bank alone); or
- (d) a Facility (or part of a Facility) not being prepaid in accordance with a notice of prepayment given by the Borrower.

11.2 Increased Costs

The Borrower shall, from time to time on demand by the Bank, reimburse the Bank for any net incremental costs to the Bank of making or maintaining, or committing to make, the Facility which result from the introduction of, or any change in, any applicable Law or any change in the interpretation or application thereof by any Government Authority, after the date of this Agreement. A certificate from the Bank as to the amount of such net incremental cost shall be final, conclusive and binding on the Borrower unless shown by the Borrower to the Bank's satisfaction to contain a manifest error.

11.3 Amendment Costs

If the Borrower requests an amendment, waiver or consent, the Borrower shall pay to the Bank and reimburse the Bank on demand for the amount of all costs and expenses (including legal fees) incurred by the Bank in responding to, evaluating, negotiating or complying with that request or requirement.

11.4 Unwind Costs

Forthwith upon notice from the Bank to the Borrower, the Borrower shall pay to the Bank the net amount of any costs, expenses and losses incurred by the Bank as a result of any circumstance that causes the Bank to unwind its funding or hedging arrangements in respect of the Facility, including (without limitation) the failure by the Borrower to pay any amount when due under this Agreement or to borrow in accordance with a drawdown request, to make any prepayment of the Facility or the occurrence of an Event of Default.

11.5 Currency Indemnity

The Borrower shall indemnify the Bank from any loss as a consequence of the Bank accepting, crediting or receiving value in a currency other than the agreement currency to the extent the amount received by the Bank after converting, at the market rate, into the agreement currency is less than the amount owed in the agreement currency.

11.6 Transaction and Enforcement Costs

The Borrower shall pay, on demand and on a full indemnity basis, all costs and expenses (together with any tax applicable to them and stamp duty) that the Bank incurs in connection with the negotiation, preparation, notarization or registration of this Agreement, and the enforcement and preservation of any rights under this Agreement or the Security Documents.

11.7 Duties and Fees

The Borrower shall pay and indemnify the Bank, upon demand, the amount of any cost, loss or liability that the Bank incurs in relation to all stamp duty, registration, and other Taxes payable in respect of this Agreement or the Security Documents.

12. REPRESENTATIONS

The Borrower represents and warrants as follows:

12.1 Status: Where the Borrower is a corporate entity, the Borrower is duly incorporated and validly existing under the applicable Law, and has the power to own its assets and carry on its business as it is being conducted.

Where the Borrower is a natural person, the Borrower is a natural person of legal capacity recognized by the applicable Law and has entered into this Agreement on its real and free agreement with the Bank.

12.2 Binding obligations: The obligations expressed to be assumed by it in this Agreement constitute legal, valid and binding obligations of the Borrower enforceable in accordance with their respective terms.

12.3 Non-conflict with other obligations: The entry into and performance by the Borrower of, and the transactions contemplated by, this Agreement does not and will not conflict with:

- (a) any law or regulation applicable to the Borrower;
- (b) where the Borrower is a corporate entity, its constitutional documents; or
- (c) any agreement or instrument binding upon it or any of its assets, or constitutes a default or termination event (however described) under any such agreement or instrument.

12.4 Power and authority: The Borrower has the power to enter into, perform and deliver, and has taken all necessary actions to authorize its entry into, execution, performance and delivery of, this Agreement and the transactions contemplated thereunder.

12.5 Validity and admissibility in evidence: All Authorizations required or desirable:

- (a) to enable the Borrower to lawfully enter into, exercise its rights and comply with its obligations hereunder; and
- (b) to make this Agreement admissible as evidence in Cambodia, have been obtained or effected and are in full force and effect.

12.6 No default:

- (a) No Event of Default is continuing or might reasonably be expected to result from the drawing of the Facility or any performance required by this Agreement.
- (b) No other event or circumstance is outstanding which constitutes (or would do so with the expiry of a grace period, the giving of notice, the making of any determination, the satisfaction of any other condition or any combination of any of the foregoing) a default or termination event (howsoever described) under any agreement or instrument which

is binding on it, or to which its assets are subject, which might have a Material Adverse Effect.

12.7 No misleading information:

- (a) Any factual information provided by or on behalf of the Borrower to the Bank, whether in furtherance of Clause 13, or otherwise, was true and accurate in all material respects as at the date it was provided.
- (b) The financial projections provided by or on behalf of the Borrower to the Bank have been prepared on the basis of recent historical information and on the basis of reasonable assumptions.
- (c) Nothing has occurred or been omitted from the information provided by or on behalf of the Borrower to the Bank and no information has been given or withheld that results in that information being untrue or misleading in any material respect.

12.8 No proceedings pending or threatened: No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect have been started or threatened against the Borrower nor is there subsisting any unsatisfied judgment or award given against it by any court, arbitration or other body.

12.9 Immunity: In any proceedings taken in its jurisdiction of incorporation or residence in relation to this Agreement, the Borrower will not be entitled to claim for itself or any of its assets immunity from suit, execution, attachment or other legal process.

12.10 No Insolvency: The Borrower is not Insolvent and has not taken any action and no other steps have been taken or legal proceedings been started or threatened for bankruptcy, Insolvency, liquidation, winding up, dissolution, administration or similar proceedings in respect of it.

12.11 Acknowledgement: The Borrower acknowledges that the Bank has entered into this Agreement in reliance upon the representations set out in Clause 12.

12.12 Timing: The representations and warranties set out in Clause 12 are made on the date of this Agreement and are deemed to be repeated by the Borrower on the Drawdown Date and on the last day of each Interest Period, by reference to the facts and circumstances then existing.

13. UNDERTAKING

The Undertakings in Clause 13 remain in force from the date of this Agreement for so long as any amount is outstanding under this Agreement.

13.1 Corporate Existence: Where the Borrower is a corporate entity, the Borrower shall maintain its corporate existence in compliance with all applicable Law.

13.2 Authorizations: The Borrower shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect any Authorization required under any applicable Law to enable it to carry on its business and to perform its obligations under this Agreement and to ensure the legality, validity, enforceability or admissibility in evidence of this Agreement in Cambodia.

13.3 Conduct of Business: The Borrower shall conduct its business with due diligence and efficiency, in accordance with sound business practices so as to prevent any event or circumstance that has or is reasonably likely to have a Material Adverse Effect.

- 13.4 Compliance with Law:** The Borrower shall comply in all respects with all applicable Law and practices commonly required by Government Authority.
- 13.5 Negative pledge:** Save with the prior written consent of the Bank, the Borrower shall not create or permit to subsist any security interest over any of its property, revenues or assets, present or future.
- 13.6 Accounting:** The Borrower shall maintain books of account and other records adequate to present a true and fair view of the consolidated financial condition of the Borrower and the results of its operations in conformity with Cambodian Accounting Standards and any applicable Law.
- 13.7 Access to Records:** The Borrower shall upon the Bank's request, permit representatives of the Bank and any employee, consultant or agent of the Bank, during normal business hours, to:
- (a) visit and inspect the Borrower and any premises where the business of the Borrower is conducted;
 - (b) examine and make abstracts from any of the Borrower's books of account and records; and
 - (c) Have access to those of the Borrower's employees, officers and agents who have or may have knowledge of the matters with respect to which the Bank seeks information of the business, operations, property and financial and other condition of the Borrower generally.
- 13.8 Financial Statements:** The Borrower shall provide to the Bank:
- (a) as soon as the same become available, but in any event within **ninety (90) days to one hundred eighty (180) days** after the end of its financial year its consolidated financial statements for such financial year audited by a firm of independent auditors licensed to practice in Cambodia and approved by the Bank, and accompanied by the related auditor's report; and
 - (b) as soon as they become available but in any event within **sixty (60) days to ninety (90) days** after the end of each financial quarter, the unaudited financial statements (or, if available, the audited financial statements) of the Borrower for that financial quarter.
- 13.9 Merger:** Until such time as all amounts owing to the Bank under this Agreement have been irrevocably and unconditionally repaid in full, the Borrower shall not enter into any amalgamation, demerger, merger or reorganize in any other way without the prior written consent of the Bank.
- 13.10 Change of business:** The Borrower shall procure that no substantial change is made to the general nature of the business of the Borrower from that carried on at the date of this Agreement without the prior written consent of the Bank.
- 13.11 Taxes:** The Borrower shall duly and punctually pay and discharge when due all Taxes and governmental charges payable by it, other than Taxes which are being contested by it in good faith by appropriate proceedings, pending determination of which payment may be lawfully withheld provided that adequate reserves with respect to any such Taxes so contested have been set aside.
- 13.12 Notification of Default:** The Borrower shall notify the Bank of any Event of Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

14. SECURITY

The Borrower shall do and authorize all things permitted under the Law to create, perfect, maintain and, as appropriate, renew the Security in a manner satisfactory to the Bank.

15. EVENTS OF DEFAULT

Each of the events or circumstances set out in this Clause is an Event of Default.

15.1 Non-Payment: The Borrower fails to pay any amount due from it under this Agreement in the currency and in the manner in which it is expressed to be payable under this Agreement.

15.2 Covenants: The Borrower fails, other than a failure to pay, to comply with any provision of this Agreement and such default is not remedied within **seven (7) Business Days** of the earlier of the date the Borrower becomes aware of the default or the date the Bank notifies the Borrower of the default and the requested remedy, provided however the Bank may extend such **seven (7) Business Days** period upon such conditions as the Bank deems appropriate.

15.3 Misrepresentation: Any representation, warranty or statement made or deemed to be made by the Borrower in this Agreement or in furtherance of any undertaking required by this Agreement, proves to have been misleading in any material respect when made or deemed to be made.

15.4 Nationalization: Any Government Authority nationalizes, seizes or otherwise expropriates all or any substantial part of the property or assets of the Borrower or of its share capital, or assumes custody or control of such property or assets or the business or operations of the Borrower or of its share capital, or acquires majority ownership of the Borrower or the Borrower's business, or takes action for the dissolution or disestablishment of the Borrower or any action that would prevent the Borrower from carrying on its business or operations or a substantial part thereof.

15.5 Cross-Default: Either any:

- (a) Indebtedness of the Borrower is not paid when due;
- (b) Indebtedness becomes due, or could be declared due, before its stated maturity because of default; or
- (c) Any expropriation, seizure, notice, execution or enforcement of any security or lien over any asset of the Borrower.

15.6 Insolvency:

Any act or circumstance of insolvency, including without limitation any of the following:

- (a) The Borrower stops or suspends payment of any of its Indebtedness, or is unable to or admits its inability to pay its debts as they fall due.
- (b) The Borrower begins negotiations, or enters into any composition or arrangement, with one or more of its creditors in order to reschedule any of its Indebtedness because of actual or anticipated financial difficulties.
- (c) a moratorium is declared over any of the Borrower's Indebtedness.
- (d) any action, legal proceedings, procedure or step is taken for:
 - (i) the suspension of payments, winding up, dissolution, liquidation, administration or reorganization of the Borrower; or
 - (ii) The appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Borrower or any of

its assets.

- (e) Any event or circumstance occurs in relation to the Borrower that is analogous to those set out in subparagraphs (a) to (d) above.

15.7 Repudiation: The Borrower repudiates or shows an intention to repudiate the Facility, this Agreement, the Security Documents or any other agreements entered into with the Bank in relation to the Facility.

15.8 Material Adverse Effect: Any other Material Adverse Effect occurs or becomes evident.

16. ACCELERATION AND REMEDIES

If an Event of Default occurs, the Bank may, from time to time, at its sole election, by notice to the Borrower, exercise any and all of the following and in any sequence and/or combination:

- (a) cancel any undrawn amount of the Facility, whereupon it shall be immediately cancelled;
- (b) declare all or any part of the Facility, together with accrued interest and all other amounts accrued or outstanding under this Agreement to be immediately due and payable, whereupon it shall become immediately due and payable;
- (c) declare that the Facility be payable on demand, whereupon it shall immediately become payable on demand by the Bank; and/or
- (d) Exercise any and all rights and remedies available by Law, this Agreement, or the Security Documents.

17. ILLEGALITY

Notwithstanding any other provisions of this Agreement, if it is or becomes unlawful in any jurisdiction for the Bank to make, maintains, or funds the Facility, then:

- (a) the Bank shall give notice thereof to the Borrower describing the relevant provisions of such requirements of law, and, at the Bank's sole election, describing compliance or rectification actions that may bring the Facility into compliance with the law; and
- (b) if there are no compliance or rectification actions suggested by the Bank or if the Parties cannot agree and implement compliance and rectification actions within the earlier of **sixty (60) days** from the date of the Bank's notice or the date required by law, then the Facility and this Agreement will be cancelled and the Borrower shall repay the outstanding balance of the Facility, all accrued interest, and all other amounts that are or become payable under this Agreement.

18. AMENDMENT AND WAIVERS

18.1 Amendment

Any term of this Agreement may be amended in writing by the Parties. The Bank may unilaterally amend, modify or supplementary term of this Agreement at any time with a **thirty (30)-day** prior notice to the Borrower.

18.2 Waivers and remedies cumulative

The rights of the Bank under this Agreement:

- (a) may be exercised as often as necessary, and in any order or combination;
- (b) are cumulative and not exclusive of its rights under the general Law; and
- (c) may be waived only in writing.

Delay in exercising or non-exercise of any right is not a waiver of that right.

18.3 Changes to the Parties

- (a) This Agreement shall bind and inure to the benefit of the heirs and respective successors and permitted assignees of the Parties.
- (b) The Borrower may not assign or otherwise transfer all or any part of its rights or obligations under this Agreement without the prior written consent of the Bank.
- (c) The Bank may, upon giving prior written notice to the Borrower, assign, transfer, novate and grant participations in, its rights and obligations under this Agreement without the consent of the Borrower.

19. GOVERNING LAW

This Agreement is governed by and construed in accordance with the laws of Cambodia.

20. DISPUTE RESOLUTION

Any dispute, controversy or claim arising out of or relating to the breach, termination or invalidity of this Agreement shall be submitted to the non-exclusive jurisdiction of the courts of Cambodia.

21. NOTICES

21.1 Every notice or demand or other communication under or in connection with this Agreement shall be in writing and delivered by international courier, mail, by facsimile, or by hand to the address or facsimile number specified below and shall be deemed to be duly served:

- (i) if it is delivered by hand, at the time of delivery;
- (ii) if it is sent by international courier, on the date it is delivered as evidenced by signed receipt or other evidence from the courier;
- (iii) if it is sent by mail **three (3) days** after the posting; and
- (iv) if it is sent by facsimile, immediately after transmission thereof if the date of transmission is a Business Day, but if such a date is not a Business Day, then the notice by facsimile shall be deemed to be served on the following Business Day, provided that the sender receives a transmission control report indicating that the notice has been sent in its entirety.

To the Borrower at:

Address: No. 315, Street 271, Sangkat Tumnub Teuk, Khan Chamkamorn,
Phnom Penh, Cambodia.
Phone: 012 802 272/ 077 962 888
Attention: **Mr. SIN VOUN and Mdm. TANG SIVKGECH**

To the Bank at:

Address: No. 601, Confederation De La Russie Blvd (110), Sangkat Karkarb,
Khan Porsenchey, Khan Porsenchey, Cambodia.
Fax: 023 969 661 / 023 969 662
Attention: **Mr. HUANG, YAO-TSUNG**

21.2 Any notice given under or in connection with this Agreement shall be in English.

22. LANGUAGE

This Agreement is made in English and in Khmer in version. All documents to be furnished or

communications to be given or made under this Agreement shall be in English.

In the event there is a conflict in language or in meaning between the English and the Khmer version, the English version shall prevail and the Khmer version shall be deemed amended to reflect the language and meaning in the English version.

23. PARTIAL INVALIDITY

If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law, the legality, validity or enforceability of the remaining provisions shall not be affected or impaired.

24. ADDITIONAL PROVISIONS

The following provisions apply to this Agreement:

- (a) in the event of cancellation or termination of this Agreement, all provisions necessary to resolve post cancellation or post termination circumstances shall survive, including those provisions dealing with dispute resolution;
- (b) this Agreement (and the Security Documents) constitute the entire agreement of the Parties, and replaces all prior understandings, agreements, conditions, reservations, or representations, oral or written;
- (c) this Agreement is binding upon the assigns and successors in title or interest of the Parties; and
- (d) this Agreement may be executed in any number of counterparts. This has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

(this section is intentionally left it blank)

This Agreement is signed in three (03) original copies of which each party keeps one (01) copy, and the witnessing lawyer keeps one (01) copy.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed in their respective names as of the date first above written.

**Mega International Commercial Bank,
Phnom Penh Airport Sub-Branch**

Bank's Stamp

Seen and Certified that

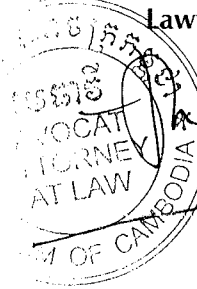
All the parties indeed signed and affixed their stamp/thumbprint in front of the lawyer as the witness.

Phnom Penh, dated ...14... July 2015

Lawyer



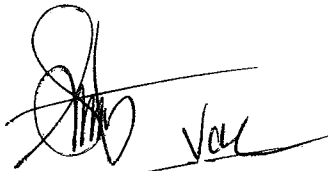
Right
Thumbprint



**SENG NIMOL
Attorney-At-Law**


Mr. HUANG YAO TSUNG
Sub-Branch Director

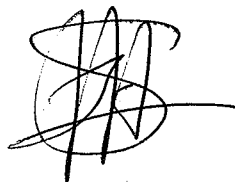
BORROWER:



Mr. SIN VOUN
I.D No. 010552816



Right
Thumbprint



Mdm. TANG SIVKGECH
I.D No. 010797011



SCHEDULE 1
TERM SHEET (FOR TERM LOAN SECURED)

Borrowers Mr. SIN VOUN and Mdm. TANG SIVKGECH

Bank Mega International Commercial Bank, Phnom Penh Airport-Sub Branch

Date 14 AUG. 2015

Facility Amount

Term Loan Secured	USD300,000.00 (United State Dollars Three Hundred Thousand Only)
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Availability Period

Term Loan Secured	Within six (6) months from the contract date or such other longer period as may be extended by the Bank.
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Drawdown

Term Loan Secured	Single drawdown within the Availability Period and utilized by application letter for utilization of facility.
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Interest Rate

Term Loan Secured	<p>Twelve (12) months Libor Rate + 5.89% \geq 6.75% per annum calculated on monthly basis on principal amount outstanding, payable monthly.</p> <p>The fluctuation of interest rate is subject to fluctuation of Libor Rate, and the interest rate is subject to adjusted by Semi- annually.</p>
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Default Interest Rate

24% per annum above the Interest Rate charged on the overdue amount for the actual number of days in arrears and payable monthly.

Term

Term Loan Secured	Seven (7) years, i.e. 84 months from the date of first drawdown
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Repayment**Term Loan Secured**

Payable in monthly installment of principal and interest of calculated in Annuity Method so that the monthly installments will fully repay the Term Loan Facility by the end of its Term. The 1st monthly installment shall be due one month after 1st drawdown date.

For clarification purposes, the principal and the interest should be repaid monthly by way of variable interest rate annuity, based on the formula set out bellow and illustrated by the appendix attached herewith:

$$\text{Repayment Amount Due in a Specific Month} = \frac{\text{OTL} * \{[(1 + \text{MIR})^{\text{NMO}}] * \text{MIR}\}}{\{[(1 + \text{MIR})^{\text{NMO}} - 1]\}}$$

In which,

(1) OTL refers to, by the time of the specific month, the outstanding Term Loan amount;

(2) MIR refers to, by the time of the specific month, the effective Interest Rate divided by 12; and

(3) NMO refers to, by the time of the specific month, the number of months that will be further required to fully repay the Term Loan under the Facility Agreement, including that specific month.

Purpose of Facility

The Facility shall be used solely :

Term Loan Secured

For working capital.

Fees

Set-Up Fee	All costs and expenses (including legal or advisory fees) in connection with the set-up of the Facility are payable by the Borrower before the execution of the Facility Agreement and/or any other Security Documents.
Processing Fee	A processing fee equal to 1% of the Term Loan Facility Shall be paid by the Borrowers. The Processing Fee for Term Loan Facility is payable before the initial drawdown of the Facility and if not so paid, to be deducted by the Bank from the Facility upon initial drawdown of the Facility.
Pre-Payment Fee	Unless otherwise provided by the Bank, prepayment of the Term Loan Facility is subject to the payment of a fee equal to 2% (two percent) of pre-payment amount if the pre-payment is made within one (1) years from 1 st drawdown date. This Pre-Payment Fee is to be paid together with the pre-payment amount.

- (b) The Bank reserves the right to:
 - (i) impose additional conditions, amend any terms and conditions governing the Facility including revising/varying the monthly installments, interest rates and other charges on the Facility from time to time at the Bank's sole and absolute discretion;
 - (ii) debit all expenses pertaining to the Facility which are not paid by the Borrower when due (including but not limited to insurance premium, cost of a professional valuation report if deemed necessary and those incurred in the enforcement of security/recovery) into the Borrower's account with the Bank; and
 - (iii) Consolidate all or any of the Borrower's accounts and set-off or transfer any sum standing to the credit of any one or more such accounts towards satisfaction of any of the Borrower's liabilities with the Bank. The Bank shall also have a lien over the security given by the Borrower or any other party in respect of any accounts of the Borrower to cover the Borrower's borrowings of any other accounts under consolidation.
- (c) The property offered to the Bank as security will be required to be inspected and valued by the Bank from time to time in order to arrive at an up to date market value. All costs incurred for inspections/valuation will be borne by the Borrower.
- (d) All payments to the Bank are to be free from any claim of set off, counterclaim or dispute.
- (e) Any term used in Schedule 2 in relation to letter of credit (L/C) together with its underlying operations, rights and obligations are subject to the Uniform Customs and Practice for Documentary Credits published by International Chamber of Commerce's (ICC) Commission on Banking Technique and Practice as applicable as of the time.
- (f) Any documents required to be submitted or delivered to the Bank from time to time, including without limitation, all the documents listed in Schedule 2, shall not be amended, restated or modified in any way without prior written consent of the Bank. The Borrower must ensure that all the facts, statements and terms contained therein continue to be true, legal and/or valid at all times while there is Indebtedness.
- (g) The applicable law is the laws of Cambodia.

(this section is intentionally left it blank)

2. DISCLOSURE INFORMATION

<i>Document</i>	<i>Receipt Noted</i>
(i) Such documentation and other evidence as is reasonably requested by the Bank in order for the Bank to carry out and be satisfied that it has complied with all necessary "know your customer" or other similar checks under all applicable laws and internal Bank requirements.	
(ii) Customer Financial Data (e.g., tax records, financial statements project future plan)	
(iii) The original of a Certificate of Status	

3. TRANSACTION AND SECURITY DOCUMENTS

<i>Document</i>	<i>Receipt Noted</i>
(i) The executed original of the Offer Letter	
(ii) Facility Agreement	
(iii) Immovable Property Security Agreement and all documents listed in the condition precedent section of the Immovable Property Security Agreement, including the original Certificate of Title, which is to be held by the Bank during the term of the Facility and so long as any part of the Facility remains unpaid (if any)	
(iv) Hypothec Agreement for the purpose of registration with the Land Office in Cambodia and all documents listed in the conditions precedent section of the Immovable Property Security Agreement (if any)	
(v) Guarantee & Indemnity Agreement and all documents listed in the conditions precedent section of the Guarantee & Indemnity Agreement (if any)	
(vi) Pledge Agreement over Movable Assets and all documents listed in the conditions precedent section of the Pledge Agreement over Movable Assets (if any)	

4. IN RELATION TO THE PURPOSE OF THE FACILITY**Where OD Facility is provided in relation to export**

<i>Document</i>	<i>Receipt Noted</i>
(i) All or any of the original(s) of: <ul style="list-style-type: none"> a. irrevocable letter of credit (L/C) in favor of the Borrower and acceptable to the Bank; b. any order or agreement in relation to the export; c. Documents against Acceptance (D/A); d. Documents against Payment (D/P); and/or e. any other documents required by the Bank. 	a. b. c. d. e.
(ii) Executed Export Bill Purchase Agreement or Collection Agreement between the Borrower and the Bank or any other equivalents in a form acceptable to the Bank.	
Note: The OD Facility limit as stated in Schedule 1 equals to 100% of the amount and in the currency under the terms of relevant documents.	

Where OD Facility is provided in relation to a purchase agreement

<i>Document</i>	<i>Receipt Noted</i>
(iii) A letter of credit (L/C) opened with the Bank, and if required, with a deposit of the same amount paid to the Bank. Note: The OD Facility limit as stated in Schedule 1 equals to the L/C amount less the deposit (if any).	
(iv) Any other relevant documents as required by the Bank Note: If the payment to be made takes the form of any method other than L/C, including but not limited to, by D/P, D/A, O/A (Open Account), T/T (Telegraphic Transfer), the OD Facility Amount as stated in Schedule 1 equals to 100% of the amount and in the currency under the terms of relevant documents submitted by the Borrower to the Bank.	