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RHB INDOCHINA BANK LIMITED

HEAD OFFICE
263, Ang Duong Street, Phnom Penh, Cambodia
TEL +855 23 992 833 FAX +855 23 991 822



Reference No.: RHBIBL/0002/2014/0013

LETTER OF OFFER

For

HOUSING LOAN

To

**Mr. MEAS SOKRETH and Mdm. THIM PONNAWATEY
As Borrower(s)**

Date: 03 April 2014

Phnom Penh, Cambodia.





Letter of Offer

Private & Confidential

Date: 03 April 2014

Mr. Meas Sokreth and Mdm. Thim Ponnawatey

Address: No. 43E0, Street 199, Sangkat Toul Svay Prey 2,
Khan Chamkarmon, Phnom Penh.

Banking Facility(ies) to **Mr. Meas Sokreth**, Cambodian National, holding ID No. **010012794** dated 16 January 2001, and **Mdm. Thim Ponnawatey**, Cambodian National, holding ID No. **010012795** dated 16 January 2001 both are currently residing at No. 43E0, Street 199, Sangkat Toul Svay Prey 2, Khan Chamkarmon, Phnom Penh **(the "Borrowers")** for the aggregate amount of **USD500,000.00**.

We thank you for choosing RHB Indochina Bank Limited (the "**Bank**") for your loan requirement. The Bank is pleased to make available to you the following facilities on the following terms and conditions and subject to the Bank's Standard Terms and Conditions, as attached hereto, and to the satisfactory completion of loan documentation (the "**Facilities**").

Type of Facility(ies)	Approved Limit(USD)	Tenor/Pricing/Commission
Housing Loan ("HL")	USD500,000.00 (USD Five Hundred Thousand only)	<p>Purpose ✓ : To part finance the purchase of a detached house.</p> <p>Interest Rate : ECOF (currently at 5.25%) + 3.25% p.a. on ✓ monthly rest, subject to minimum 8.5% p.a. ✓ (Effective Cost of Fund "ECOF" is subject to ✓ changes at the sole discretion of RHBIBL)</p> <p>Tenure ✓ : 12 years</p> <p>Repayment ✓ : 144 monthly installments of USD5,551.00 each incorporating interest payment and part principal repayment at installments amount to be advised by the Bank and calculated based on the variable rate as stated above with adjustment in the last installment commencing one month after full drawdown of the Facility(ies).</p> <p>Processing Fee ✓ : 1% on total approved limit (USD5,000.00)</p> <p>Prepayment ✓ : 1st to 5th year: 3% and 6th to 12th year: 1% on prepayment amount if the facility is fully/partially settled before expiry date.</p>



Categories

Terms/Variations

Calculation and Payment of Interest

Interest on the Facilities (other than the overdraft facility) shall be calculated on a monthly rests basis and capitalised monthly.

(Effective Cost of Fund "ECOF" subject to changes at the sole discretion of the Bank)

Drawdown

✓ **Housing Loan** of **USD500,000.00** shall be disbursed directly to **Sellers** via **banker's cheque** upon blocking of Certificate of Ownership No. **18010404-0828**, submission of formal Sale & Purchase Agreement with the value of not less than **USD750,000.00**, submission of the evidence on the differential sum between the purchase price and the amount has been paid and upon compliance with conditions precedent to the Bank's satisfaction.

Post drawdown condition:

✓ *Branch to submit a copy of Certificate of Ownership which is already transferred under the name of **Mr. Ly Chanmony** and **Mdm. Meas Chanbormey** within 3 months from disbursement date.*

Servicing Branch

✓ RHB Indochina Bank Limited, City Mall Branch at Lot No. A3E0, Ground Floor, City Mall Olympic, Monireth Street, Sangkat Veal Vong, Khan 7 Makara, Phnom Penh, Cambodia. Tel No. (855) 23 993 568.

Default Rate

✓ **Housing Loan:** In addition to the Prescribed Rate, any default in instalment payment shall be subject to additional interest at the rate of 20%p.a. calculated on a daily rests basis or such other rate as may be stipulated by the Bank from time to time.

The above mentioned rate of **24%p.a.** is also applicable in the event the Borrowers fail to pay the amount outstanding over 90days when the loan is classified into Substandard Loan.

Where applicable, a fixed administrative charge may be imposed as well.

Fees

✓ Processing Fee of **USD5,000.00** is payable upon acceptance of this letter of offer. The Bank reserves the right to debit the Borrowers' account for facilitating the payment of any fees due and payable to the Bank.

Account

✓ The Borrowers are required to execute a standing instruction authorizing the Bank to debit their account of **2-01-0002-00003357-7** towards the payment of the Facilities to service the monthly repayment and/or accrued interest and/or all other monies payable to the Bank upon approval of the Facilities. The Borrowers are requested to visit the Servicing Branch to execute for the standing instruction.

Insurance Cover Required



The Borrowers hereby agree to subscribe for fire insurance and subsequent renewal for the Hypothecated Property through the Bank's approved insurance company, for such amount(s) and on such terms, including non-cancellation and reinstatement value clauses, and for such duration as the Borrowers may require and authorize the Bank to deduct the premium from their account. The Borrowers shall assign the insurance to the Bank, with the Bank's name thereon endorsed as the loss payee. A copy of the policy and receipts of all premiums paid are to be lodged with the Bank.



Categories

Terms/Variations

The Bank shall not be liable for allowing the drawdown of the Facility prior to the subscription of the said insurance.

Securities & Documentation

The Borrower shall execute and procure the following securities and documentations in the form and substances acceptance to the Bank:-

Facility Agreement

A facility Agreement for **USD500,000.00** as principal instrument is to be executed duly witnessed by the Bank's Attorney.

Hypothec Agreement

Hypothec Agreement duly registered with the Bank as the 1st ranking hypothecator over the Certificate of Ownership No. **18010404-0828** which is a parcel of land accommodating a hotel located at Phum 4, Sangkat No. 4, Preah Sihanouk City, Preah Sihanouk Province (the "Hypothecated Property") registered in the name(s) of **Mr. Meas Sokret and Mdm. Thim Ponnawatey.**

Irrevocable of Undertaking Letter

Irrevocable of Undertaking Letter that the borrower undertake to deposit rental proceeds into the account maintained with RHB Indochina Bank Limited subsequent to loan drawdown.

Execution of Facilities and Security Documentation

This letter is conditional upon the preparation, execution and delivery of the Facilities Agreement; Hypothec Agreement and such security documentation as may be required by the Bank (in form and substance acceptable to the Bank), incorporating, among others, the terms and conditions set out herein. All relevant security documentation is to be executed within thirty (30) days from the date of acceptance of this Letter of Offer by you, failing which the Bank shall be entitled at its absolute discretion to extend the time for execution for such period as it deems fit, or to terminate/ cancel this offer and upon such termination or cancellation, the Bank's liability hereunder shall be absolved and you shall have no right to claim against the Bank.

Valuation

The Facilities are conditional upon the receipt by the Bank of a valuation report prepared by a valuation firm acceptable by the Bank and that such report, including the location, surroundings, condition, usage and suitability of the Hypothecated Property is acceptable to the Bank, failing which the Bank shall be entitled at its absolute discretion to reduce the amount of the Facilities.

Receipt of valuation report from RHBIBL's panel valuer on the subject property to be charged to the bank not less than USD1,096,600.00.

Reimbursement of Charges

In the event the Facilities are terminated prior to the drawdown, the Borrowers agree to reimburse the Bank for the abortive charges incurred. For the purposes of this Letter of Offer, abortive charges include the valuation fees, legal fees, processing fees, stamp duty and discharge fees related or any other charges incidental to the Facilities.

Costs to be borne by the Borrower

The legal fees, valuation fees and stamp duty, including any penalty thereon or payment of insufficient stamp duty, shall be borne by the Borrower



Termination	The Bank reserves the right to terminate the Facilities in the event the Borrowers do not utilise the Facilities more than 3 months from the date the Facilities is made available to them.
Reliance on Representations	<p>The Bank's offer of the Facilities herein is made based on:</p> <ul style="list-style-type: none"> (a) the Borrowers' representations, declarations and/or documents provided to the Bank; and (b) the condition that subsequent credit and financial checks conducted on the Borrowers by the Bank (to which the Borrowers have consented), reveal satisfactory results.
Review	Facilities are subject to review on a periodic basis and upon such review, the Bank may renew, cancel, terminate, suspend, vary the limit of the Facilities, impose renewal fees and/or impose additional conditions as the Bank deems fit.
Other Terms and Conditions	<p>By acceptance of this Letter of Offer, the Borrower hereby expressly agree and declare that:</p> <ul style="list-style-type: none"> (a) They are fully aware of the guidelines issued by the Bank in relation to the operation of current accounts; (b) they understand that the Bank has the absolute right to close any or all of their current accounts and to recall any overdraft facilities to them once they have breached any of the guidelines and/or due to frequent issuance of dishonoured cheques and/or they have breached any terms and conditions governing the Facilities;

The attached Standard Terms and Conditions shall form an integral part of this Letter of Offer.

In the event of any discrepancy, ambiguity or inconsistency (ies) between the terms of this letter and the attached Standard Terms and Conditions, the terms of this letter of offer shall prevail to the extent of such discrepancy or ambiguity or inconsistency (ies).

This Letter of Offer will be governed by laws of the Kingdom of Cambodia.

Please indicate your acceptance of the above banking arrangement by signing and returning to the Bank the duplicate of the Letter of Offer and the Standard Terms and Conditions, within 14 (fourteen) days from the date hereof, failing which the Bank shall be entitled at its absolute discretion to either treat this offer as having lapsed or extend the time of acceptance for such period as it deems fit.

- All documents should be forwarded to Loan Department at RHB Indochina Bank Limited, No.263, Street Ang Doun, Shangkhat Wat Phnom, Khan Daun Penh, Phnom Penh, Cambodia. Please contact 023-992-833 if you need clarification on any documentation issue.

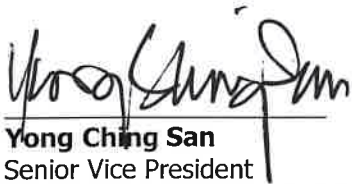
The terms of this Letter of Offer may be varied or waived by notice in writing by the Bank and the Bank in its absolute discretion may require you to countersign such written notice.

We thank you for giving the Bank the opportunity to be of service to you.



Yours faithfully,

For RHB Indochina Bank Limited


Yong Ching San
Senior Vice President
Head of Loans and Credit Administration



Company's Stamp

I/We, the undersigned, hereby:-

- (a) declare that no member of my/our immediate family is in the employment of RHB Indochina Bank Limited; and
- (b) accept the terms and conditions set out in this letter and in the attached Standard Terms and Conditions; and
- (c) have complied with all other regulatory conditions as may be applicable to the Facilities as imposed by the National Bank of Cambodia.

BORROWER(S):



Mr. Meas Sokreth
ID No: 010012794



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Date:.....



Mdm. Thim Ponnawatey
ID No: 010012795



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Date:.....