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BUILDING AGREEMENT RELATING TO PRIVATE LOT A12288 AT TUAS AVENUE 18  
MUKIM NO. 7 TUAS AREA: 5,921 SQUARE METRES

BETWEEN

JURONG TOWN CORPORATION

AND

MECHMASTER ENGINEERING PTE LTD

DATED

12 Th September 1991

2696

BUILDING AGREEMENT FOR LAND

AT PRIVATE LOT A 12288 IN TUAS  
(INLAND)

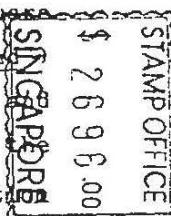
THIS AGREEMENT is made the 10<sup>th</sup> day of September 1991  
BETWEEN JURONG TOWN CORPORATION a body corporate incorporated under the Jurong Town Corporation Act and having its Head Office at Jurong Town Hall, Jurong Town Hall Road, Singapore (hereinafter called "the Owner" which expression shall include its successors-in-title and assigns) of the one part AND MECMASTER ENGINEERING PTE LTD a company incorporated in Singapore and having its registered office at No. 1 Tuas Avenue 16, Singapore 2263

(hereinafter called "the Licensee" which expression shall include its successors-in-title) of the other part.

WHEREBY IT IS AGREED as follows :-

1 For the period of two (2) years from 1st July 1991 \_\_\_\_\_  
(hereinafter referred to as "the date hereof") or for such further period as may be extended by the Owner the Licensee shall have the Licence and authority to enter upon all that piece of land known as Private Lot A12288 forming part of Government Survey Lot 1607 Mukim No. 7 Tuas \_\_\_\_\_

and situated in the Republic of Singapore as shown edged red on the plan annexed hereto and estimated to contain an area of 5,921 square metres more or less subject to survey (hereinafter called "the said land") for the construction of factory buildings and other structures therein for the installation of equipment fixtures and fittings thereat for purpose of precision machining, automation machining and steel fabrication works only \_\_\_\_\_



in accordance with the stipulations hereinafter contained and for no other purpose whatsoever.



2 The Licensee hereby agrees to perform and observe the following stipulations :-

- (i) To hold the said land until the same shall be comprised in a lease to be granted as hereinafter provided as licensee upon the same terms relating to the lease referred to in clause 2(ii) herein at the same rent and subject to the same covenants and stipulations so far as applicable as if a lease thereto has been actually granted and so that the Owner shall have all the remedies by whatsoever means for rent in arrears that are incidental to the relationship of landlord and tenant but so that nothing herein contained shall be construed as creating a legal demise or any greater interest in the licence than a tenancy at will.
- (ii) To pay in advance as from the date hereof a licence fee calculated at the same rate and on the dates specified as for the rent reserved in the lease of the said land set out in the First Schedule hereto as if such lease has actually been granted.
- (iii) To pay on the Owner's behalf to the Comptroller of Property Tax an amount equivalent to the sum payable by the Owner as property tax in respect of the said land improvements and structures thereon during the said period or of such extended period (if any) permitted under clause 3(c) hereof by way of additional licence fee or for the period prior to the issue of the lease to be granted under clause 4 herein.
- (iv) To pay interest at the rate of 8.5% per annum or such higher rate as may be determined from time to time by the Owner in respect of any outstanding

amount payable by the Licensee under this Agreement from the date such amount becomes due until payment in full is received by the Owner.

(v) To pay to the Owner all survey fees and other charges including those payable to and claimed by the relevant Government Planning Authorities for the survey of the said land for the purpose of sub-division of the land of which the said land forms part and the preparation and issue of a Certificate of Title PROVIDED THAT the Owner shall have the right to employ his own surveyor to carry out the said survey in which event the Licensee shall bear all costs incurred.

(vi) At his own cost and expense -

(a) to engage a professional engineer to carry out soil investigations to advise on the soil conditions and to design structurally sound buildings proposed to be erected taking into consideration the condition of the said land; and

(b) to execute such work as may be required to be done in respect of the state and condition of the said land (especially its ground levels, topography and soil conditions) which state and condition the Licensee shall be deemed to have full knowledge.

(vii) Without prejudice to sub-clause (vi) above to submit within three (3) months from the date hereof firstly to the Owner for his approval and then to the relevant Government Planning and Building Authorities full and complete plans elevations and specifications of the buildings proposed to be erected on the said land in accordance in every way

with the requirements under the Planning Act and the Local Government Integration Act PROVIDED THAT the Owner may give or refuse his approval at his absolute discretion.

- (viii) At his own cost to commence erection on the said land either within six (6) months from the date hereof or within one (1) month from the date of approval of the plans by the relevant Government Building Authorities and in a substantial and workman-like manner with the best materials of their available kinds and in conformity in every respect with the plans, elevations, sections and specifications approved by the Owner and the relevant Government Building Authorities to finish the factory buildings, structures and other appurtenances including the installations of all equipment, fixtures and fittings so as to be completely fit for immediate occupation and operation within the said period of two (2) years from the date hereof PROVIDED ALWAYS THAT in the planning, erection, construction and completion of the said buildings, to develop to a gross plot ratio of not less than 0.5 \_\_\_\_ AND PROVIDED FURTHER THAT the Licensee shall not install or use any electrical installation, machine or apparatus that may cause or causes heavy power surge, high frequency voltage and current, air borne noise, vibration or any electrical or mechanical interference or disturbance whatsoever which may prevent or prevents in any way the service or use of any communication system or affects the operation of other equipment, installations, machinery, apparatus or plants of other Licensees.

*P. J. Johnson  
John*

- (ix) At his own cost to take such steps and execute such works upon the said land as may be necessary for the protection of shores and embankments if any and for the prevention of earth-slip erosion of soil and failure of slopes expeditiously in a workman-like manner and to the satisfaction of the Owner and other relevant governmental and statutory authorities.
- (x) If the Licensee shall fail to complete the said buildings works and installations and to commence operations within the period specified in clause 2(viii) or within any extended period under clause 3(c) hereof the Licensee shall pay to the Owner a sum calculated at the rate of \$50.00 per day as liquidated damages for the period during which the said buildings shall so remain or have remained incomplete.
- (xi) To remove and replace any materials brought on the said land or used in any of the said buildings works or installations which the Owner shall require to be removed as being inferior or unfit and to make good any workmanship which he shall consider imperfect and if the Licensee fails to remedy such defects the Owner may enter upon the said land and remedy such defects at the expense of the Licensee after expiry of fourteen (14) days' notice being given to the Licensee to do so.
- (xii) Not to erect or build or permit or suffer to be erected or built any building, structure or installation other than those conforming with the plans elevations sections and specifications approved by the Owner and the relevant Government Building Authorities nor to make any alterations in the external elevation of any of the said buildings when erected without the prior consent in writing of the Owner.

SPECIAL COVENANTS AND CONDITIONS

The Lessee hereby covenants with the Lessor as follows :-

- (i) To pay the yearly rent hereinbefore reserved on the days and in the manner appearing in the reddendum.
- (ii) To pay unto the Lessor on demand by way of additional rent a sum equal to all such sums as the Lessor may from time to time pay for insuring and keeping insured the demised premises against loss or damage by fire in case the Lessee shall make default in insuring and keeping insured the demised premises pursuant to the covenant in that behalf hereinafter contained PROVIDED ALWAYS THAT nothing herein shall render it obligatory on the part of the Lessor to insure and keep insured the demised premises or any part thereof.
- (iii) To pay all rates taxes assessments and outgoings whatsoever which now are or which at any time hereafter during the said term may be imposed or charged upon or in respect of the demised premises or any part thereof.
- (iv) To repair and keep in tenantable repair the demised premises and every part thereof throughout the said term.
- (v) To pay a reasonable proportion of the expense of constructing repairing rebuilding and cleansing all party walls fences sewers drains pipes water-courses and other things the use of which is common to the demised premises and the occupiers of any adjoining or neighbouring premises and such proportion in the case of a dispute shall be conclusively determined by the Lessor's surveyor for the time being.
- (vi) To permit the Lessor and his surveyors or agents with or without workmen or others during the said term at reasonable times in the day-time to enter upon the demised premises and every part thereof to examine the state and condition of the same and of defects decays and wants of reparations and of all breaches of covenant there found and the Lessor may thereupon serve on the Lessee notice in writing by leaving the same at or on the demised premises to or for the Lessee to make good the same within such reasonable time as specified in such notice.
- (vii) To perform and observe all the obligations which the Lessor of the demised premises may be liable to perform or observe during the term hereby created by any direction or requirement of any governmental or statutory authority and if the Lessee shall fail to observe or perform this covenant the Lessor may in its absolute discretion perform the same and all expenses and costs incurred thereby shall be recoverable from the Lessee as a debt PROVIDED ALWAYS THAT the Lessor shall not be liable to the Lessee for any loss damage or inconvenience caused thereby.

- (viii) Not to make or cause to be made any addition or alteration affecting the elevation external structure or stability of the demised premises or any part thereof without the prior written consent of the Lessor and the relevant governmental and statutory authorities PROVIDED THAT on the granting of such consent and without prejudice to other terms and conditions which may be imposed the Lessee shall give to the Lessor security that the proposed addition alteration or rebuilding will in fact be carried out within a reasonable time.
- (ix) Forthwith to insure and keep insured the demised premises against loss or damage by fire to the full value thereof with a well established insurance company approved by the Lessor and to make all payments necessary for that purpose within seven days after the same shall become payable and upon reasonable notice to produce to the Lessor the policy or policies of such insurance and the receipts for all such payments.
- (x) As often as the demised premises or any part thereof shall be destroyed or damaged as aforesaid forthwith to cause all monies received by virtue of such insurance to be laid out in rebuilding and reinstating the same in accordance with the plans and specifications approved by the Lessor and in accordance with the existing laws, bye-laws, regulations and planning schemes of every relevant governmental and statutory authority prevailing at the time, and in case the monies so received shall be insufficient for that purpose then to make up the deficiency out of his own monies PROVIDED THAT the rebuilding and reinstatement shall in any event commence and be completed within the period specified by the Lessor.
- (xi) Not to demise assign mortgage let sublet or underlet or grant a licence or part with or share the possession or occupation of the demised premises in whole or in part without first obtaining the consent of the Lessor in writing. The restrictions contained in Section 17 of the Conveyancing and Law of Property Act (Chapter 61) shall not apply. In addition, the Lessor may in its absolute discretion in giving the consent require, inter alia, that the fixed investment criteria be met and due proof thereof be shown within such period of time as the Lessor may stipulate, and in the event of the non-observance thereof, the Lessor shall be entitled to exercise its rights under Clause 3(c) herein.
- (xii) Within six months of the devolution of the interest of the Lessee not perfected by an assent to give notice thereof in writing with particulars thereof to the Lessor and produce to the Lessor such documentary evidence as may be required by the Lessor.

- (xiii) Not to use the demised premises or any part thereof for any illegal or immoral purpose and not to do or permit or suffer to be done upon the demised premises anything which in the opinion of the Lessor may be or become a nuisance annoyance or cause damage or inconvenience to the Lessor or his lessees or the occupiers of any adjoining or neighbouring premises or whereby any insurance for the time being effected on the demised premises may be rendered void or voidable or be in any way affected.
- (xiv) Not without the prior consent in writing of the Lessor to affix or exhibit or erect or paint or permit or suffer to be affixed or exhibited or erected or painted on or upon any part of the exterior of the demised premises or of the external rails or fences thereof any nameplate signboard placard poster or other advertisement or hoarding.
- (xv) To make reasonable provision against and be responsible for all loss injury or damage to any person or property including that of the Lessor for which the Lessee may be held liable arising out of or in connection with the occupation and use of the demised premises and to indemnify the Lessor against all proceedings claims costs and expenses which he may incur or for which he may be held liable as a result of any act neglect or default of the Lessee his servants contractors sub-contractors or agents.
- (xvi) To pay interest at the rate of 8.5% per annum or such higher rate as may be determined from time to time by the Lessor in respect of any arrears of rent or other outstanding sums due and payable under this Lease from the due dates thereof until payment in full is received by the Lessor.
- (xvii) At the termination, by expiry or otherwise, of the term hereby created, to yield up the demised premises to the Lessor in tenantable repair in accordance with the Lessee's covenants herein contained PROVIDED THAT, if so required by the Lessor and upon notice thereof, the Lessee shall remove the fixtures and fittings, or any part thereof, as may be specified by the Lessor and reinstate the demised premises to the satisfaction of the Lessor and if the Lessee shall fail to observe or perform this covenant the Lessor shall execute such works and recover the costs thereof from the Lessee as a debt.
- (xviii) To make good and sufficient provision for the safe and efficient disposal of all waste including but not limited to pollutants to the requirements and satisfaction of the Lessor PROVIDED THAT in the event of default by the Lessee under this covenant the Lessor may carry out such remedial measures as he thinks necessary and all costs and expenses incurred thereby shall forthwith be recoverable from the Lessee as a debt.

- (xix) Not to do or omit or suffer to be done or omitted any act matter or thing in or on the demised premises in respect of the operations business, trade or industry carried out or conducted therein which shall contravene the provisions of any laws, bye-laws, orders, rules or regulations now or hereafter affecting the same but at his own cost and expense to comply with all such provisions and at all times hereafter to indemnify and keep indemnified the Lessor against all actions, proceedings, costs, expenses, claims, fines, losses, penalties and demands in respect of any act matter or thing done or omitted to be done in contravention of the said provisions.
- (xx) To pay all costs disbursements fees and charges legal or otherwise including stamp and registration fees in connection with the preparation stamping and issue of this Lease and any prior accompanying or future documents or deeds supplementary collateral or in any way relating to this Lease.
- (xxi) To pay all costs and fees legal or otherwise including costs as between solicitor and client in connection with the enforcement of the covenants and conditions herein.
- (xxii) To pay to the Lessor all survey fees and other charges including those payable to and claimed by the relevant Government Planning Authorities and other relevant governmental and statutory authorities for the survey of the demised premises for the purpose of sub-division of the land of which the demised premises forms part and issue of this Lease and a Certificate of Title PROVIDED THAT the Lessor shall have the right to employ his own surveyor to carry out the said survey in which event the Lessee shall bear all costs thereby incurred.
- (xxiii) At his own cost to take such steps and execute such works upon the demised premises as may be necessary for the protection of shores and embankments if any and for the prevention of earthslip erosion of soil and failure of slopes expeditiously in a workmanlike manner and to the satisfaction of the Lessor.
- (xxiv) To construct an internal drainage system within the demised premises to the satisfaction of the Lessor to ensure that all surface water collected thereon is discharged into the public drains.
- (xxv) Not to effect a change of name except with the prior consent in writing of the Lessor PROVIDED THAT on every change of name the Lessee shall pay to the Lessor a fee to be specified by the Lessor in relation to such consent.
- (xxvi) To perform and observe the covenants on the Lessor's part contained in the Head Lease made between the President of the Republic of Singapore and the Lessor so far as they are not varied herein and to keep the Lessor indemnified against all claims damages costs and expenses in any way relating thereto.

- (xxvii) To maintain the demised premises and every part thereof in a neat and tidy condition, and forthwith to comply with the Lessor's direction to remove and clear any materials, goods or articles of whatever nature and description from the demised premises or such part thereof as may be stipulated in writing by the Lessor.
- (xxviii) At his own cost to plant and maintain trees and landscape the demised premises in accordance with all the requirements of the Parks and Recreation Department, Ministry of National Development and other relevant governmental and statutory authorities.
- (xxix) Not to install or use any electrical installation, machine or apparatus that may cause or causes heavy power surge, high frequency voltage and current, air borne noise, vibration or any electrical or mechanical interference or disturbance whatsoever which may prevent or prevents in any way the service or use of any communication system or affects the operation of other equipment, installations, machinery, apparatus or plants of other Lessees in connection therewith, to allow the Lessor or any authorised person to inspect at all reasonable times, such installation, machine or apparatus in the demised premises to determine the source of the interference or disturbance and thereupon, to take suitable measures, at the Lessee's own expense, to eliminate or reduce such interference or disturbance to the Lessor's satisfaction, if it is found by the Lessor or such authorised person that the Lessee's electrical installation, machine or apparatus is causing or contributing to the said interference or disturbance.
- (xxx) To indemnify the Lessor against each and every claim, proceeding, action, loss, penalty, damage, expense, cost and demand which may arise in connection with clause (xxix) above.
- (xxxi) At the Lessee's own cost to execute such works as may be necessary to divert existing utility services such as pipes, cables and the like (if any) to the requirements and satisfaction of the Lessor and other relevant governmental and statutory authorities.
- (xxxii) Subject to that clause in the Special Covenants and Conditions of this Lease which stipulates the specific use the Lessor permits for the demised premises, the Lessee shall use and shall ensure that at least sixty per centum (60%) of the total floor area of the demised premises shall be used for purely industrial activities, and may use the remaining floor area for ancillary stores and offices, neutral areas, communal facilities and such other uses as may be approved in writing by the Lessor and the relevant governmental and statutory authorities PROVIDED THAT the said ancillary offices shall not exceed twenty-five per centum (25%) of the total floor area AND PROVIDED FURTHER THAT the Lessee shall not use and occupy the demised premises for the purpose of commercial office and storage unrelated to the Lessee's approved industrial activity.

- (xiii) In the erection and completion of the said buildings, structures and installations to do all acts and things required by and to perform the works in conformity with all respects with the provisions of any laws or regulations made thereunder and to pay and keep the Owner indemnified against all claims and other payments whatsoever which during the progress of the works may become payable in respect of the said works or of anything done under the authority herein contained and from time to time to discharge and pay all claims, assessments and outgoings now or at any time hereafter be chargeable against the Owner under any law or otherwise in regard to the said land, the said buildings or any structures or installations thereon.
- (xiv) Not to do or permit or suffer to be done in or upon the said land or any part thereof anything which in the opinion of the Owner may be or become a nuisance or annoyance or cause damage or inconvenience to the Owner or to the Licensees or occupiers of any adjoining or neighbouring premises or whereby any insurance for the time being effected on the premises under sub-clause (xix) herein may be rendered void or voidable or be in any way affected.
- (xv) Not to sell or dispose of any earth, clay, gravel or sand from the said land or permit or suffer any of the same to be removed except so far as shall be necessary for the execution of the said works PROVIDED nevertheless that the Licensee may use for the purpose of the said works any of the approved materials if so required.

- (xvi) Not without the prior consent in writing of the Owner to remove or permit or suffer to be removed until after completion of the said buildings in accordance with the provisions herein contained any building materials (other than inferior or unfit materials removed for the purpose of being replaced by proper materials) or plant which shall be brought upon the said land for the purpose of the said works.
- (xvii) Not without the prior consent in writing of the Owner to affix or exhibit or erect or paint or permit or suffer to be affixed or exhibited or erected or painted on or upon any part of the exterior of the said land or of the external walls or rails or fences thereof any nameplate, signboard, placard, poster or other advertisement or hoarding.
- (xviii) Not at any time to deposit or make up or manufacture or permit or suffer to be deposited made up or manufactured upon the said land any building or other materials except such as shall be actually required for the buildings to be erected on the said land in accordance with this Agreement and as soon as the buildings hereinbefore agreed to be erected shall be completed at his own expense to remove from the road or footpath adjoining the said land or the ground intended to be used for such road or footpath all building and other materials and waste whatsoever.
- (xix) As soon as any of the said buildings shall have reached a height of five (5) feet above ground level to insure the same to the full value thereof in the joint names of the Owner and the Licensee against loss or damage by fire in some insurance office approved by the Owner and shall increase such insurance proportionately as the said buildings approach completion and to keep the same so insured until a lease shall be granted as hereinafter provided and to pay all premiums thereof at least seven

(7) days before the expiry date of such insurance policy and to produce to the Owner or his agent without demand the policy or policies of such insurance and the receipt for each such payment and in the event the said buildings or any part thereof are destroyed or damaged by fire then to forthwith give to the Owner written notice of such destruction or damage and to forthwith cause all monies received by virtue of any such insurance to be forthwith laid out in rebuilding and reinstating the buildings to the satisfaction of the Owner and to make up any deficiency thereof out of his own monies, but the rebuilding and reinstatement shall in any event commence and be completed within the period specified by the Owner PROVIDED ALWAYS THAT if the Licensee shall at any time fail to keep the premises insured as aforesaid the Owner may without being under any obligation to do so do all things necessary to effect or maintain such insurance and any monies expended by him for that purpose shall be repayable by the Licensee on demand and be recovered forthwith from the Licensee as a debt.

(xx) Not to assign sublet grant a licence or part with or share his interest under this Agreement, or the possession or occupation of the said land, or any part thereof EXCEPT THAT, subject to the Owner's prior written consent, which consent shall not be unreasonably withheld, the Licensee may mortgage his interest under this Agreement by way of assignment to secure the repayment of such sum or sums as the Licensee may require for the purpose of erecting or completing the building or other structure to be built on the said land in accordance with the provisions of this Agreement PROVIDED THAT the Licensee shall thereafter continue to be liable for the observance and performance of the several stipulations herein contained until the grant of the lease as hereinafter provided.

- (xxi) Not to permit or suffer any person to occupy reside or make use of any building erected on the said land before a final or a temporary Certificate of Fitness for Occupation has been issued by or except with the permission of the relevant Governmental and Statutory authority.
- (xxii) To make reasonable provision against and be responsible for all loss, injury and damage to any person (including loss of life) or property including that of the Owner for which the Licensee may be held liable arising out of or in connection with the occupation and use of the said land and the structures erected thereon and to indemnify the Owner against all proceedings, claims, costs and expenses which he may incur or for which he may be held liable as a result of any act, neglect or default of the Licensee his servants, contractors, sub-contractors, or agents or their respective servants.
- (xxiii) To make good and sufficient provision for the safe and efficient disposal of all waste including but not limited to pollutants generated at the said land to the requirements and satisfaction of the Owner and other relevant Governmental and Statutory authorities PROVIDED THAT in the event of any default by the Licensee under this covenant the Owner may carry out such remedial measures as he thinks necessary and all costs and expenses incurred thereby shall be recoverable forthwith from the Licensee as a debt.
- (xxiv) Not to effect a change of name except with the prior consent in writing of the Owner PROVIDED THAT on every change of name the Licensee shall pay to the Owner a fee to be specified by the Owner in relation to such consent.

- (xxv) To construct an internal drainage system to the satisfaction of the Owner to ensure that all surface water collected is discharged into the public drains and will not flow into adjoining properties.
- (xxvi) To construct and complete a permanent culvert within nine (9) months from the date hereof or any extension thereof as may be approved by the Owner and in connection therewith to submit plans to and to obtain the prior approval in writing of the Owner for the construction of a temporary crossing.
- (xxvii) Within one (1) month of the completion of the permanent culvert mentioned in sub-clause (xxvi) above to remove the temporary crossing and to reinstate any roads, roadside kerbs, drains, turfing or the like damaged by the Licensee, his servants, contractors, subcontractors, or agents or their respective servants to the satisfaction of the Owner and the relevant Governmental and Statutory authorities.
- (xxviii) Within one (1) month of the completion of the construction of the said buildings and related civil works to reinstate any damage caused to the roads, roadside kerbs, drains, turfing and the said permanent culvert by the Licensee his servants contractors or agents or their respective agents to the satisfaction of the Owner and the relevant Governmental and Statutory authorities.
- (xxix) To place with the Owner a deposit of \$5,000.00 which shall be forfeited in the event of any breach of any of the provisions in sub-clauses (xxvi), (xxvii) and (xxviii) herein without prejudice to the rights and remedies of the Owner contained in this Agreement and the Lease.

- (xxx) At his own cost to plant and maintain trees and landscape the said land in accordance with all the requirements of the Parks and Recreation Department, Ministry of National Development and other relevant Governmental and Statutory authorities.
- (xxxi) At his own cost to execute such work as may be necessary to divert existing utility services such as pipes, cables and the like (if any) to the requirements and satisfaction of the Owner and other relevant Governmental and Statutory authorities.
- (xxxii) If the Licensee shall at any time be found to have encroached upon any area beyond the allocated boundaries of the said land, the Licensee shall at his own cost and expense, but without prejudice to any other right or remedy the Owner may have against him, immediately or within the time specified (if any) by the Owner rectify and remove the encroachment to the satisfaction of the Owner and pay to the Owner such compensation as may be specified by the Owner. If, however, the Owner in his absolute discretion permits the Licensee to regularise and retain the encroached area or any part thereof upon such terms and conditions as may be stipulated by the Owner and any other relevant Governmental and Statutory authorities, the Licensee shall pay licence fee on the encroached area with retrospective effect from the date hereof, and the Licensee shall also pay all survey fees, amalgamation fees, legal fees (including solicitor and client costs and expense), and all other costs and charges relating thereto..
- (xxxiii) If any damage of whatsoever nature or description shall at any time occur or be caused to the said land or any building or structure or installation thereon, or any part thereof, to forthwith give to the Owner written notice of the damage and to remedy the damage to the satisfaction of the Owner within such time as the Owner may specify, all at the cost of the Licensee.

3 It is hereby mutually agreed that until the Licensee has performed all his obligations herein contained the Owner shall possess the rights and powers following :-

- (a) The right for himself and his agents with or without workmen or others at all reasonable times to enter upon the said land to view the state and progress of the said buildings and works and to inspect and test the materials and workmanship in connection therewith and for any other reasonable purpose including the construction and installation of sewers drains pipes and cables on or leading from any adjoining or neighbouring land of the Owner as may be required by the Owner.
- (b) Full right and liberty in case any of the said buildings and other structures or installations hereby agreed to be erected be not completed and fit for immediate occupation within the period hereinbefore limited (time in this respect shall be of the essence of the contract) and in accordance in every way with the stipulations hereinbefore contained or in case the Licensee shall in any other way fail to perform and observe any of the stipulations on his part herein contained or if any charging order made in respect of the said land or any structure thereon shall be enforced without the written consent of the Owner having first been obtained by the Licensee or by the person in whose favour the charging order shall have been made, to re-enter upon and take possession of the said land and all buildings structures fixtures plant material and effects whatsoever thereon with power to hold and dispose thereof as if this Agreement had not been entered into and without making to the Licensee any compensation or allowance for the same and this Agreement shall thereupon determine but without prejudice to any right of action or other remedy of the Owner for the recovery of any licence fee or monies due to him from the Licensee or in respect of any breach of this Agreement PROVIDED ALWAYS THAT if the said

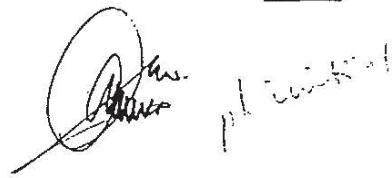
land has been assigned by way of mortgage the provisions of this clause shall not take effect until the Owner has served upon the mortgagee notice in writing specifying the breach and the mortgagee has failed to remedy such breach.

- (c) PROVIDED nevertheless that notwithstanding any such default as aforesaid in completing the said buildings and works the Owner may in his discretion give notice in writing to the Licensee of his intention not to enforce the stipulations herein contained and may fix any extended period for the completion of the said works in substitution for the said period of two (2) years hereby fixed for such completion and thereupon the obligations hereunder of the Licensee to complete the said works and to accept a lease hereinafter mentioned shall be taken to refer to such substituted period.
- (d) Without prejudice to the generality of clause 3(b) hereof full right and liberty in the event that the Licensee has failed to either :-
  - (i) develop the said land to the gross plot ratio specified in clause 2(viii), or
  - (ii) fulfill the investment criterion as stipulated in Clause 4with full and absolute discretion to the Owner to either :
  - (i) re-enter upon and take possession of the said land or any part thereof and all buildings, structures, fixtures, plant, material and effects whatsoever thereon with power to hold and dispose thereof as if this Agreement had not been entered into and without making to the Licensee any compensation or allowance for the same and this Agreement shall thereupon determine but without prejudice to any right of action or other remedy of the Owner or recovery of any licence fee or monies due to him from the Licensee or in respect of any breach of this Agreement, or

(ii) reduce the term of lease proportionately as the actual amount invested bears with the required fixed investment on the said land as stipulated in clause 4 in which event the Licensee shall execute such documents as the Owner shall deem necessary and in connection therewith, pay all costs disbursements fees and charges legal or otherwise as provided in clause 5.

PROVIDED ALWAYS that if the said land has been assigned by way of mortgage, the provisions of this sub-clause (d) shall not take effect until the Owner had served upon the Mortgagee notice in writing specifying the breach and the Mortgagee has failed to remedy such breach.

4 If the said buildings and works shall have been completely finished to the satisfaction of the Owner and the relevant Government Building Authorities (to be evidenced by their certificates in writing to that effect) within the said period of two (2) years or of such extended period (if any) as aforesaid and if the Licensee shall have performed and observed all the stipulations herein on his part contained other than such as may have been waived as aforesaid and if there shall be a minimum investment by the Licensee of \$625/- per square metre of the gross building area on buildings and civil works and a minimum investment of \$200/- per square metre of the said land on plant and machinery, within the said period of two (2) years from 1st July 1991 (due proof of such investment to be produced to the satisfaction of the Owner) then the Owner shall grant and the Licensee shall accept and execute a counter-part of one good and sufficient lease or sub-lease of the said land and premises together with the buildings so erected thereon with their appurtenances for the term of thirty (30) years from the 1st day of July 1991 at the rent and in the form containing the reservation exceptions covenants conditions and provisions set forth in the FIRST SCHEDULE hereto with such modifications as circumstances may render necessary and such other covenants conditions or stipulations to be performed by the Licensee governing or regulating the use of the said land as the Owner thinks fit with a view to preserving the value thereof or protecting the interests of the licensees or occupiers of land or premises adjacent to the said land from any dangerous or obnoxious or otherwise harmful activities which may be carried out by the Licensee whether or not such activities are incidental to the Licensee's trade PROVIDED THAT until such lease is executed the Licensee shall be deemed to be the Lessee of the said land as though a lease has been executed at the same rent and subject to the covenants and conditions contained in the First Schedule hereto so far as the same are applicable.



5 The Licensee shall pay all costs disbursements fees and charges legal or otherwise including stamp and registration fees in connection with the preparation stamping and issue of this Agreement and the Lease herein agreed to be granted and any prior accompanying or future documents or deeds supplementary collateral or in any way relating to this Agreement and the lease.

6 The Licensee shall pay all costs and fees legal or otherwise, including the Owner's costs as between solicitor and client, in connection with the enforcement of the covenants and conditions of this Agreement and the lease.

7 The Licensee may, at any time during the said period of two (2) years and any extensions thereof granted under clause 3(c) and subject to the prior written consent and the conditions of consent of the Owner, terminate this Agreement or surrender part of the said land the Licensee shall in addition to the licence fee (which at the discretion of the Owner may be apportioned for the period commencing from the date hereof up to the date of delivery of vacant possession of the said land or part thereof to the Owner) survey fees, property tax and other charges specified herein pay to the Owner as liquidated damages a sum made up of firstly an amount equivalent to three (3) months' licence fee, secondly an amount equivalent to one (1) additional year's property tax and thirdly an amount of \$500/- being administrative costs or such other sum as may be determined from time to time by the Owner, AND PROVIDED FURTHER THAT before the delivery of vacant possession as aforesaid if the Owner shall so desire the Licensee shall at the cost and expense of the Licensee render the said land or part thereof as the case may be to its original state and condition.

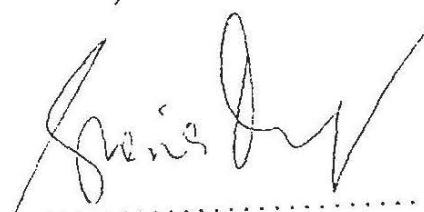


IN WITNESS WHEREOF the parties hereto have hereunto set their  
respective hands or seals the day and year first above written.

SIGNED on behalf of )  
THE JURONG TOWN CORPORATION )  
By : SWEE KEE SIONG )  
SENIOR DIRECTOR )  
LANDS & ESTATES DIVISION )

in the presence of :- )

SKS



CNG SIEW CHOO

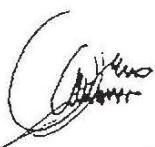
The Common Seal of )  
MECHMASTER ENGINEERING PTE LTD )

was hereunto affixed )

in the presence of :- )



AW KIM CHOON  
DIRECTOR



Johnny AW GIM SAN  
DIRECTOR

Co-Ltd)

My name is \_\_\_\_\_  
My signature is \_\_\_\_\_

I,  
Advocate and solicitor of the Supreme Court of Singapore hereby certify  
that on the \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_ the Common  
Seal of MECMASTER ENGINEERING PTE LTD \_\_\_\_\_

was duly affixed to the within written instrument at Singapore in my  
presence in accordance with the regulations of the said Company which  
regulations have been produced and shown to me.

Witness my hand this \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_

.....  
Advocate and Solicitor  
Singapore

*Printed on back*