

## MORTGAGE LOAN TERMS AND CONDITIONS

### 1. Application

1.1 These Mortgage Loan Terms and Conditions (“Terms and Conditions”) shall incorporate the General Business Banking Terms and Conditions (including the terms relating to Lending Services, Trade Services and Foreign Exchange Services), as the same may be updated or amended from time to time at [sc.com/sg/business/booklet](http://sc.com/sg/business/booklet), which the Borrower confirms and acknowledges it has read and agreed. For the purpose of these Facilities, all references to the Facility Letter in the General Business Banking Terms and Conditions shall be construed to refer to the terms set out in the Facility Letter(s) issued to you and accepted by you and these Terms and Conditions. In the event of any inconsistency, the terms set out in the Facility Letter and these Terms and Conditions shall prevail.

### 2. Definitions and Interpretations

2.1 Definitions:

Terms defined and capitalised in the Facility Letter and General Business Banking Terms and Conditions (and not otherwise defined herein) will have the same meaning when used in these Terms and Conditions. In the event there are conflicting definitions, the definition of terms set out in these Terms and Conditions shall prevail to the extent of any such inconsistency for the purposes of any Mortgage loan.

“**Collected Principal**” means the principal amount of the monthly Facilities repayment collected in the preceding month.

“**Disbursement Notice**” means, for a Mortgage Facility, the notice the Bank sends that sets out the disbursement and installment schedule. It supplements and is to be read with the Facility Letter.

“**Mortgage Facility**” means each mortgage loan the Bank makes available under these terms as stated in the Facility Letter.

“**In Arrears**” means that the current month payment of interest on the Loan is for payment of interest incurred in the preceding month.

“**Security**”, for the purposes of these Terms and Conditions, refers to (a) any mortgage, pledge, lien or charge or any security or preferential interest or arrangement of any kind or any right or arrangement with any creditor to have its claims satisfied in priority to other creditors with or from the proceeds of the Property and/or any other property or asset (real or personal) which are acceptable to the Bank, and (b) any guarantee executed in favour of the Bank to guarantee the obligations of the Borrower in connection with the Facilities. Where the Security is in the form of real property, the words “Security” and “Property” may be used interchangeably in these Standard Terms and Conditions.

“**Security Document**” refers to (a) any security documents (as varied, amended, supplemented or modified from time to time) as may be required by the Bank including but without limitation to any mortgage, deed of assignment, pledge, lien, charge, guarantee, indemnity, letter of credit, letter of surety-ship or other obligations or irrevocable offer (whatever called and of whatever nature) in connection with and supplemental or ancillary to the Property, the Security and/or the Facilities to indemnify against the

consequences of default in the payment of or to be responsible otherwise for an obligation or indebtedness of another person, (b) any document or agreement entered into provided under or in connection with or supplemented or ancillary to any of the foregoing and (c) any document or agreement entered into or provided under or in connection with or for the purpose of amending or novating any of the above. It includes also, without limitation to the Facility Letter, the Standard Terms and Conditions herein and letters of undertaking or authorisations by the Borrower, the Mortgagor and/or the Security Party and/or their solicitors under or in relation to any of the Facilities.

“**Scheduled Loan Balance**” means the amount outstanding under the Facilities at that point in time after deducting the Collected Principal.

“**Standard Terms and Conditions**” refers to the standard terms and conditions herein contained as varied, amended, supplemented or modified from time to time. These Standard Terms and Conditions shall include the additional standard terms and conditions applicable where the Facilities are secured by Mortgage of Property, additional standard terms and conditions applicable to incorporated bodies, additional standard terms and conditions applicable to sole proprietorships and partnerships.

### 3. Conditions Precedent to Disbursement of Facilities

3.1 The facilities (“Facilities”) granted to the Borrower by the Bank pursuant to the Facility Letter can be drawdown or utilised only on completion of legal documentation and fulfillment of such conditions precedent as the Bank may require and subject to the Bank being satisfied (and in this respect the Bank’s decision shall be final) that there are no material changes affecting the financial condition, operating environment, management or directorship of the Borrower after its acceptance of the Facilities. In addition to the conditions precedent identified in the General Business Banking Terms and Conditions, such conditions precedent as the Bank may require include but are not limited to the following:

- a) the title to any Property offered as Security being acceptable to the Bank;
- b) there being no legal proceedings of any kind whatsoever instituted against the Borrower or any Security Party;
- c) where applicable, approval being obtained from any competent authority in connection with the Facilities;
- d) where the Borrower or any Security Party is a company, the Bank having received the following in form and substance satisfactory to the Bank
  - i) a copy of the constitution, memorandum and articles of association or other constitutional documents of the Borrower or any Security Party as the case may be, certified as true copy by its director or secretary;
  - ii) a copy certified as a true copy by the chairman of the board of directors of the Borrower or, as the case may be, any Security Party of the resolutions passed at the board of directors’ meeting authorising the acceptance of the Facilities, the execution of the Security Documents and the person or persons to sign on its behalf any documents to be given under hand from time to time pursuant to the Security Documents;

Customer's Signature	
----------------------	--

- e) a foreign legal opinion on any legal document executed by the Borrower or any Security Party as the case may be, if the Borrower or any Security Party is incorporated outside Singapore or if any asset or property being offered to the Bank as Security is located outside Singapore.

#### 4. Security/ Prohibition of Encumbrance

- 4.1 Where the Facilities are required to be secured by mortgage(s) of property-(ies) or by debentures or other forms of Security, the Borrower agrees to execute or to procure the owner(s) of the property-(ies) or other appropriate parties to execute the mortgage(s), debentures or other forms of Security in the forms of documents containing such terms, covenants and conditions as the Bank may require.
- 4.2 If the market value of any Security (including immovable property) falls below what the Bank considers to be an adequate security margin, the Bank shall be entitled, without prejudice to any other rights that the Bank may have, to reduce the credit limits, and/or withhold further disbursement, and/or to require repayment of such amount as the Bank may specify including prepayment of any Loan and/or to require additional Security to be furnished.
- 4.3 The Bank shall be entitled to arrange periodic valuation/ appraisal of any Security (including immovable property) at the Borrower's expense.
- 4.4 The title of any charged or mortgaged property must be good and in order and any shares offered as Security must be acceptable to the Bank at its absolute discretion.
- 4.5 Any Security taken by the Bank or any money deposited with the Bank shall continue to be held by the Bank and shall not be released/ withdrawn until any expired guarantee, bonds, indemnities, documentary or other credits or any instruments whatsoever from time to time entered into by the Bank for the Borrower's account have been returned to the Bank for cancellation.
- 4.6 The Borrower shall not create any charge, mortgage, pledge, hypothecation, lien or any other agreement or arrangement having substantially the same economic effect (including any "hold-back" or "flawed asset" arrangement) in respect of any of its property(ies) and assets without the prior consent of the Bank in writing, such consent not to be unreasonably withheld.

#### 5. Interest for mortgage facilities

- 5.1 Each Borrower must pay interest on the Facilities monthly In Arrears (or as otherwise set out in the Facility Letter) at the rate set out in the Facility Letter or at any other rate that the Bank may determine in its absolute discretion. Notwithstanding any terms in the Facility Letter and any method of calculation of interest stated therein, the interest rate charged by the Bank in respect of a Mortgage Facility will not be less than 0% per annum at any time.
- 5.2 Unless otherwise stated in the Facility Letter, interest on the Loan accrues on a daily basis and is as calculated on a 12-month basis in accordance with the following formula:

$$\frac{\text{Interest rate (p.a.)}}{12 \text{ months}} \div \text{days in any given month} \times \text{Scheduled Loan Balance}$$

- (i) Interest is payable on the dates set out in the Facility Letter or the Disbursement Notice.
- (ii) Unless otherwise stated in the Facility Letter, interest is charged to a Borrower's account on the last banking day of each month and up to the day when all amounts owing in connection with the Mortgage Facility are finally paid.
- (iii) If a Borrower's Loan is disbursed in the last 14 days of the month, such Borrower's first installment will only be due on the first day of the month after the next month from loan disbursement month (the "ODI Date"). Payments of the aforesaid first installment will consist of such Borrower's first full month installment, plus the interest on the days remaining until the last day of the month immediately preceding the ODI Date ("Odd Days Interest").

*For illustrative purposes:* If a Loan disbursement falls on 19 July, (i) the first installment will be due on 1 September, (ii) the first full month interest will be charged for the period between 19 July to 18 August and (iii) the interest computed for the period between 19 August to 31 August will be the Odd Days Interest due.

#### 6. Debiting of Accounts

- 6.1 Without prejudice to any of the Bank's other rights and remedies, the Bank shall have the right at any time to debit (without any prior notice to the Borrower) the Borrower's current account or other account(s) with the Bank, any outstanding amounts due to the Bank, including any overdraft facility any outstanding Facilities, interest, commission, charges, fees, expenses, costs, taxes, premiums and all monies arising from the Facilities or any part thereof as well as all amounts and sums of monies which are payable by the Borrower. Provided always that no such debiting shall be deemed to be a payment of the amount due (except to the extent of any amount in credit in the Borrower's current account or other account(s) with the Bank) or a waiver of any event of default under any agreement relating to the Facilities or of an occurrence of any Event of Default. If such debiting causes the Borrower's current account to be overdrawn, default interest at the Bank's prevailing rate(s) shall be payable by the Borrower accordingly and shall be repayable forthwith.
- 6.2 In the event the Borrower's said account has insufficient funds on the due date to fully discharge any amount due, it shall be the Borrower's responsibility to notify the Bank in writing if the Borrower's funds are credited into the said account after the due date and to request the Bank to make the appropriate debit to the said account. The Bank is entitled but not obliged to monitor the level of funds in the said account or to debit the same for the amount due to the Bank.

#### 7. Ruling Off Of Account, Application of Monies and Contingent Liabilities

- 7.1 In addition and without prejudice to any other rights of the Bank under Loan or Security Documents relating to the Facilities, if at any time any guarantee or other Security for the Facilities is terminated or if for any other reason which the Bank deems justifiable, the Bank may forthwith open a new or separate account ("the new account") with the Borrower in the books. If the Bank does not in fact open such new account, it shall nevertheless be deemed to have done so at the time of such termination and as from and after the time that the new account was opened or so deemed to have been opened, all payments made by or on behalf of the Borrower shall (notwithstanding any legal or equitable rule of presumption to the contrary) be credited or deemed to have been credited to the new account so opened and shall not go to reduce the amount owing by the Borrower to the Bank at the time the new account was opened unless the Bank expressly directs otherwise after all sums (actual or contingent) owing to the Bank under that new account have been paid and satisfied to the Bank in full or at any other time.
- 7.2 If any sum paid or recovered under any Security in respect of the Borrower's liabilities is less than the amount then owing, the Bank may apply that sum to interest, fees, principal or any amount due in such proportions and order as the Bank thinks fit or may credit the same or part thereof to a suspense account and generally in such manner as the Bank thinks fit.

#### 8. Events of Default

- 8.1 Upon the occurrence of any of the said Events of Default (as defined in General Business Banking Terms and Conditions) and/or any other events deemed as an event of default by the Bank in any of the Security Documents or any other applicable documents, and without prejudice to the generality of the terms in the General Business Banking Terms and Conditions in relation to the Bank's rights upon the occurrence of an Event of Default:-
- a) the whole of the Facilities lent or advanced by the Bank or any part thereof for the time being outstanding and unpaid together with interest and all monies payable by the Borrower ("the Liabilities") shall without further demand become immediately payable;

- b) the Security held by the Bank shall become immediately enforceable; and
  - c) the Bank shall in addition to the rights set out herein, be entitled (as equitable charge) to attach the Liabilities to any of the Borrower's, the Mortgagor's and/or the Security Party's property or Security (whether real or personal) and to lodge a caveat against any real property that may now or hereafter be registered against the Borrower's, the Mortgagor's and/or the Security Party's name whether singly or jointly.
- 8.2 In the events of default by the Borrower or of occurrence of any Event of Default, all contingent liabilities together with other indebtedness or liabilities shall become immediately due and payable whereupon the Bank may in addition to other rights herein or under General Business Banking Terms and Conditions call for cash cover and/or debit the Borrower's account(s) for all such contingent liabilities.

## 9. Right of Review

- 9.1 Without prejudice to the Borrower's obligation to repay all outstanding on demand by the Bank or on the occurrence of an Events of Default, the Facilities are subject to the Bank's periodic review at any time and from time to time, and the Bank shall be entitled, without prejudice to any other rights that the Bank may have to review, reduce, restructure and/or cancel the Facilities, withhold disbursement and/or activation or further disbursement and/or activation of the Facilities, to require repayment of such amount(s) of the outstanding Facilities as the Bank may in its sole discretion specify and/or to require additional Security (in form and substance satisfactory to the Bank) to be furnished to the Bank, without any obligation, whether at law or in equity to give any reasons whatsoever. Such cancellation and repayment or reduction or variation shall take effect upon issue of a notice thereof to the Borrower by the Bank.
- 9.2 If the Facilities are inter alia secured by a guarantee or other Security, the Bank has the right to review the guarantee or Security and call for additional Security if in its opinion the guarantor(s) or Security Party are or will be unable to fulfill their obligations under the guarantee or Security Document.

## 10. Supply of Statements and Information

The Borrower shall supply immediately upon request all statements, information, materials and explanations regarding the operations and finances of the Borrower and or any guarantors, as may be reasonably required by the Bank from time to time and submit the audited Balance Sheet and Profit and Loss Accounts together with Directors' Report every year immediately after their issue but in any case not later than six (6) months after the close of its financial year.

## 11. Fees, Expenses and Taxes

- 11.1 Without prejudice to the generality of the provisions in the General Business Banking Terms and Conditions:
- a) all stamp fees, insurance premium, valuation fees, goods and services tax or other taxes, legal costs, levies or charges and out-of-pocket expenses (including abortive costs) of any kind whatsoever payable in connection with the Facilities and/or the Security shall be borne by the Borrower; and
  - b) where the Borrower is in default of any of the above said payment and/or where the Borrower fails or refuses to pay the instalment(s) due under the Facilities (or any part thereof due to the Bank), the Bank may at its discretion, where applicable, meet such expenses and shall have the right to charge interest on all such amounts due and unpaid or expended on behalf of the Borrower at the rate of five percent (5.00%) per annum above the Bank's prime lending rate or such other rate(s) as the Bank shall from time to time determine. Where the Borrower fails or refuses to pay the instalment(s) due under the Facilities (or any part thereof due to the Bank), the Bank shall also have the right to charge a default fee of S\$40 (or such other amount as the Bank may determine from time to time).

For the avoidance of doubt, any non-payment of the above amount(s) would constitute an Event of Default by the Borrower and the Bank shall be entitled to exercise its rights under the Memorandum or Memoranda of Mortgage registered in the Singapore Land Authority or its successors by whatever name called.

- 11.2 The Bank shall have the right at any time to debit the Borrower's account with interest, commission, charges, fees, normal bank charges and all monies arising from the Facilities as well as all amounts and sums of money mentioned in the preceding condition. No such debiting shall be deemed to be a payment of the amount due (except to the extent of any amount in credit in the Borrower's current account) or a waiver of any event of default under any agreement relating to the Facilities. If such debiting causes the Borrower's account to be overdrawn, interest shall be payable accordingly.

## 12. Service of Process

- 12.1 The Borrower agrees that the personal service of any writ of summons or other originating process or a sealed copy thereof, pleadings or other documents may be effected on the Borrower by leaving the same at its registered office or its address last known to the Bank (and in this connection, the Bank shall be entitled to rely on records kept by the Bank) and if the address of the Borrower last known to the Bank is a postal box number, the Bank may effect such personal service by posting the same to such address and the Borrower confirms that such service in the manner aforesaid shall be good and sufficient personal service on the Borrower. The methods of service stated in this condition are without prejudice and in addition to any other method of service prescribed by statutory or general law by which the Bank may validly effect service on the Borrower.
- 12.2 Any demand for payment of any monies or other demand or notice in relation to the Facilities or any matters hereunder may be signed by any of the Bank's authorised officers for the time being of the Bank or the Bank's solicitors and made addressed to the Borrower and sent by post to or left at the registered office or principal place of business (where applicable) in Singapore or last known forwarding address in Singapore of the Borrower in the records of the Bank and a notice or demand so given or made shall be deemed to be given or made or received on the day it was so left or the day following that on which it is posted as the case may be notwithstanding that it is returned by the post office undelivered. In addition, where there is more than one Borrower, any demand or notice may be served by the Bank on either or any one of the Borrowers only and such service shall be deemed to be sufficient service in respect of both or all the Borrowers.

## 13. Severability

If any one or more of the provisions herein contained or any part thereof shall be deemed invalid, unlawful or unenforceable in any respect under applicable law, the validity, legality and enforceability of the remaining provisions or any part thereof contained herein shall not in any way be affected or impaired and these Terms and Conditions shall be construed as if such invalid, unlawful or unenforceable provisions of any part thereof had never been contained herein.

## 14. General

- 14.1 The grant of the Facilities are subject to final documentation and such further legal or other requirements as may be deemed necessary by the Bank.
- 14.2 The Bank shall not be responsible for any loss or damage on account of delay in the documentation or in the release of the Facilities or any part thereof.
- 14.3 Nothing herein contained shall be construed as imposing any obligation (whether by law or in equity) upon the Bank to exhaust its remedy to sell or proceed against the Property before commencing any separate action or enforcing any other remedies or exercising any other rights against the Borrower, the Mortgagor and/or the Security Party. The Borrower irrevocably

and unconditionally agrees with and consents to the Bank commencing separate proceedings, enforcing other remedies and exercising any other rights which the Bank may have against the Borrower, the Mortgagor and/or the Security Party simultaneously with or without exhausting its right against the Property.

## **15. Additional Standard Terms and Conditions Applicable to Incorporated Bodies**

### **15.1 Winding Up/ Judicial Manager**

The Borrower, Security Provider and guarantor shall immediately notify the Bank verbally of any petition filed or notice issued for passing of a resolution for the winding-up or appointment of a judicial manager of the Borrower, Security Provider and/or the guarantor. All verbal notifications shall be followed up within twenty-four (24) hours by written notification.

### **15.2 Appointment of Special Consultant**

If there are any circumstances which lead the Bank to believe that the Borrower or Security Provider is or will be unable to perform its obligations in relation to the Facilities or any Security therefore, the Bank may require the Borrower or Security Provider to appoint, or appoint on the Borrower's or Security Provider's behalf, a special consultant ("the Special Consultant") to conduct an audit of the Borrower or Security Provider or perform such other duties as the Bank may specify. The Bank may nominate any person whom the Bank considers suitably qualified to be the Special Consultant and, without limiting the generality of the foregoing, the Bank may for this purpose nominate an accountant, lawyer, banker or engineer. A Special Consultant so appointed shall be the agent of the Borrower or Security Provider (where applicable) who shall be solely responsible for his acts, defaults and remuneration.

## **16. Additional Standard Terms and Conditions Applicable to Sole Proprietorship**

16.1 The Borrower shall renew the firm's Certificate of Registration on a timely basis and submit a copy of the same and every renewal thereof promptly to the Bank.