

Principal Amount _____

Date _____

PROMISSORY NOTE

FOR VALUE RECEIVED, _____ with office address at _____, hereinafter referred to as the "BORROWER" (includes the plural), acting through the undersigned hereby promises to pay THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (hereinafter referred to as the "BANK"), at its office in HSBC Centre, 3058 Fifth Avenue West, Bonifacio Global City, Taguig City, Philippines on or before _____ subject to the BANK's overriding right to require repayment of outstandings on demand, the sum of _____ (amount in figures) { _____ } (amount in words) _____ Currency, with interest from date hereof at the rate of _____ per cent per annum (_____ %) payable as follows:

Principal Repayable: In full on maturity /
 By instalments /
 Interest Payable: In arrears / Upfront / Discounted /
 Interest rate: subject to repricing / every _____
 not subject repricing /

BORROWER may prepay all or part of the loan with the Bank's prior approval and:

- (a) provided that the Borrower gives two Business Days prior written notice to the Bank;
- (b) subject to payment of break costs at the time of prepayment if prepayment is made on a day other than the last day of an interest period; and
- (c) subject to payment of any applicable prepayment fees.

BORROWER further agrees to pay penalty interest at the rate of the aforementioned regular interest rate plus _____ per cent per annum on all overdue principal outstanding and overdue interest. In the event that BORROWER is two or more persons, their liability shall be joint and several/solidary.

BORROWER agrees that the BANK may upon written notice to BORROWER increase or decrease the interest rate and/or penalty interest rate stipulated in this note depending upon prevailing money market conditions, including but not limited to extraordinary inflation or deflation, official or unofficial depreciation of the Philippine currency and/or the currency of this note, extraordinary increase or decrease of the effective value or purchasing power of the Philippine currency and/or the currency of this note, enactment of a government law or regulation which has the effect of increasing or decreasing the BANK's cost of funds and similar events. Should the BORROWER disagree with the adjustment, the BORROWER shall have the option to prepay the principal amount of this note and all the amounts due thereunder within thirty (30) days from receipt of the notice from the BANK. Otherwise, the BORROWER shall be deemed to have agreed to the adjustment.

BORROWER agrees to pay any taxes (including, but not limited to Value-Added Tax (VAT), levies, imposts, duties, charges, fees, deductions, withholdings, restrictions or conditions of any nature now or hereafter imposed by the Republic of the Philippines or any political subdivisions or taxing authority thereof or therein. For such withholding taxes, the BORROWER shall transmit to the BANK the proof of payment of such taxes, including the Certificate of Final Tax Withheld at Source (BIR Form 2306) and Certificate of Creditable Tax Withheld at Source (BIR Form 2307) stating the complete and accurate details, no later than the 31st of January of the immediately succeeding year for BIR Form 2306 and not later than the 20th calendar day after the reference quarter-end for BIR Form 2307. BORROWER agrees to pay the BANK the amount covered by such proof of payment that is not transmitted to the BANK pursuant hereof. Thus, BORROWER authorizes the BANK to debit, without need of further notice, such amount of withholding tax or its equivalent in another currency from the BORROWER's Account No. _____ and if no such nominated account is provided, any account, including foreign currency denominated account/s, maintained by the BORROWER with the BANK.

NAME OF BORROWER : _____

By:

Signature _____
 Name _____

Signature _____
 Name _____

SIGNATURE VERIFIED
Per BR dtd _____

BORROWER authorizes the BANK to, without liability, set-off and/or transfer any monies standing to the credit of the BORROWER's other accounts with the BANK in, or towards, satisfaction of the BORROWER's liabilities to the BANK under this note, whether or not the outstanding obligation is in a currency different from the currency of the monies intended for setting off/transfer, or is held at a branch in a different jurisdiction or with any member of the HSBC Group (i.e. companies wholly or partially owned by the BANK, its parent companies or under common ownership with the BANK) in any other jurisdiction, and/or held by the BORROWER jointly with other persons/ entities; and to dispose of any securities, deeds, boxes and parcels and other contents, and property of any description held in BORROWER's name by the BANK, by a branch in a different jurisdiction, or by any member of the HSBC Group (i.e. companies wholly or partially owned by the BANK, its parent companies or under common ownership with the BANK) in any other jurisdiction and to apply the proceeds thereof towards the satisfaction of BORROWER's liabilities to the BANK. The BANK's rights hereunder shall not be affected by the BORROWER's dissolution, bankruptcy or insolvency.

BORROWER confirms that the proceeds of the loan and/or loan line and/or credit facilities herein established shall be utilized exclusively _____ for _____ BANK may terminate the loan or demand immediate repayment of the obligation should the BORROWER use the proceeds of the loan for any purpose other than as stated above.

In case collection is made through an attorney, BORROWER agrees to pay ten percent (10%) of the amount due on this note (but in no case less than PHP25,000.00) as and for attorney's fees in addition to expenses and cases of suit.

In case of extrajudicial foreclosure of mortgage or execution on judgment, BORROWER waives BORROWER's rights to seek exemption from said foreclosure and/or execution of BORROWER's properties exempt from execution under the Rules of Court, the Civil Code and other special laws.

For Foreign Currency denominated notes, BORROWER agrees to pay the principal and interest in the lawful currency of the note without set-off or counterclaim, free and clear of, and without deduction or withholding for any present or future taxes or any other deductions or withholdings of any nature. If the BORROWER is required to make any such deductions or withholding from any such payment, the BORROWER shall pay such additional amounts. The BORROWER therefore agrees to pay Withholding Tax of 10% due on interest.

Any Documentary Stamp Tax due on this note if any shall be for the sole account of the BORROWER.