

Principal Amount

Date

**PROMISSORY NOTE**

FOR VALUE RECEIVED,

with office address at

herein referred to as the "BORROWER" (includes the plural), acting through the undersigned hereby promises to pay to the **THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED** (herein 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 words)

(amount in figures) ( ) 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** 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. In the event that the **BORROWER** are two or more persons, their liability shall be jointly 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 have 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, chargers, 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 31<sup>st</sup> of January of the immediately succeeding year for BIR Form 2306 and not later than the 20<sup>th</sup> 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**.

**BORROWER** authorises 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 any attorney, **BORROWER** agrees to pay ten percent (10%) of the amount due on this note (but in no case less than PHP25,0000.00) as and for attorney fees in addition to expenses and cases of suit.

In case of extrajudicial foreclosure of mortgage or execution on judgment, **BORROWER** waives **BORROWER'S** right 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 note, **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**.

**NAME OF BORROWER**

By:

Signature Signature  
Name Name

SIGNATURE/S VERIFIED  
Per BR dated \_\_\_\_\_

This document may be executed electronically and/or by way of electronic signature by the parties. Both parties agree that any electronic signature/s of their respective signatories as indicated therein shall be deemed as an original signature/s, shall have the same force and effect as an original signature, and binding upon both parties. Furthermore, both of the parties agree that if this document shall be executed electronically or by way of electronic signature, the best evidence of this document shall be a copy of this document bearing an electronic signature, in portable document format (.pdf) form, or in any other electronic format intended to preserve the original graphic and pictorial appearance of a document.