

DEED OF ASSIGNMENT
(Security for direct payments to third party)

THIS DEED OF ASSIGNMENT is made the day of..... 20
..... between....., a company incorporated under the laws
of Malaysia and having its registered office at
....., (hereinafter referred to as “the Assignor”)
of the one part and a company incorporated under
the laws of Malaysia and having its registered office at
..... (hereinafter referred to as “the Assignee”) of the other part.

WHEREAS –

1. The Assignor has been awarded by Majlis Amanah Rakyat (hereinafter referred to as
“MARA”) the contract with the reference numbered
(hereinafter referred to as “the Contract”) for the
.....(hereinafter referred to as “the Works”) for
the sum of Ringgit Malaysia
..... (RM.....)
(hereinafter referred to as “the Contract Sum”).

2. The Assignor has caused work to be executed and/or is desirous of causing *work /
supply to be executed and the Assignee has agreed to execute certain *work / supply namely
..... (hereinafter referred to as *the Subcontract Work” /
“the Subcontract Supply”) for the Assignor in the fulfillment of the Assignor’s obligations under
the Contract.

3. The Assignor is desirous of assigning to the Assignee moneys due and payable to the
Assignor under the Contract as payment for the *Subcontract Work / Subcontract Supply, up
to a maximum value of Ringgit Malaysia
..... (RM.....)
(hereinafter referred to as the “Assigned Sum”).

4. MARA through its authorized representative has given its consent in a letter
dated to the Assignor to assign its rights, interest and title in the Assigned Sum to the Assignee.
The said letter is attached hereto as Appendix A.

* Delete whichever is not applicable

NOW THE DEED WITNESS as follows:

1. Restriction on this Deed

The terms of this Deed of Assignment shall be subject to the terms and conditions imposed by MARA or its authorized representative in granting its consent to this Assignment.

2. Assignment

In consideration of the Assignee having executed and/or agreeing to execute the *Subcontract Works / Subcontract Supply, the Assignor hereby absolutely assigns to the Assignee moneys payable now or hereinafter due and payable to the Assignor under the Contract, not exceeding the Assigned Sum.

3. Irrevocable Assignment

This assignment shall be irrevocable and shall remain in force for so long as the Assigned Sum is due and payable to the Assignor by MARA.

4. Exclusion of Nominated Sub-contractors/Suppliers

For the purposes of this Assignment, moneys due and payable to the Assignor under the Contract shall be deemed to exclude moneys due and payable to nominated subcontractors and nominated suppliers who, in accordance with the terms and conditions of the Contract shall be paid direct by MARA to the nominated subcontractors and nominated suppliers.

5. Payment

The Assignee shall be paid the value of the *Subcontract Work / Subcontract Supply executed out of moneys due and payable to the Assignor under the Contract in interim payments and the final payment shall be made in accordance with the terms and conditions of the Contract.

6. Interim Payment

The amount to be paid to the Assignee in each interim payment shall be ascertained based on claims certified by the Assignor or his authorized representative and submitted by the Assignee to the Superintending Officer named in the Contract or his authorized representative not later than three (3) days before the date of interim valuation.

** Delete whichever is not applicable*

7. Insufficient Payment

7.1. In the event of the money due and payable to the Assignor in an interim payment is insufficient to pay the amount due to the Assignee in respect of the *Subcontract Work / Subcontract Supply executed, the deficiency shall be paid to the Assignee in the next and subsequent interim payment(s).

7.2. If upon final payment under the Contract no money is received by the Assignee or the amount received by the Assignee is less than the total value of the *Sub-contract Work / Sub-contract Supply executed, the value of the *Sub-contract Work / Sub-contract Supply that remains unpaid shall be debt due from the Assignor to the Assignee.

8. Receipt Issued

The Assignor covenants that any receipt issued by the Assignee in respect of any payment made by MARA or its authorized representative shall be a sufficient and valid discharge of the assignment under Clause 2 to the extent of such payment.

9. Undertaking

The Assignor undertakes to do all things and acts necessary to ensure that MARA pays to the Assignee moneys otherwise due and payable to the Assignor under the Contract in respect of the *Subcontract Work / Subcontract Supply executed by the Assignee.

10. Notification of Assignment

The Assignor shall notify MARA of the execution of this Deed of Assignment by lodging a stamped copy thereof with MARA or its authorized representative.

11. Incidental Charges

Any incidental charges including legal fees for this Deed of Assignment and the stamp duty thereof shall be borne by the Assignor.

12. Successors-In-Title

This Deed of Assignment shall be binding upon the successors-in-title of the parties hereto and, if the party is an individual, upon his heirs, executors and personal representatives.

** Delete whichever is not applicable*

IN WITNESS WHEREOF the Parties hereunto set their seal and hand respectively on the day and year first set out above.

SIGNED by)
)
Name:)
)
Capacity:)
)
For and on behalf of
 (Signature of Assignor)
)
)
(Seal or chop of Assignor)

In the presence of

Name:)
)
NRIC No.:)
) (Signature of Witness)
Address:)

SIGNED by)
)
Name:)
)
Capacity:)
)
For and on behalf of)
 (Signature of Assignee)

(Seal or chop of Assignee)

In the presence of

Name:)
)
NRIC No.:)
) (Signature of Witness)