

**SPECIMEN COPY**  
**LIMITED LIABILITY CONTRACT: SG/PA/**

**ABC SECURITIES SDN BHD (1111-X)**

THIS CONTRACT made the \_\_\_\_\_ day of \_\_\_\_\_ **2010**  
Between **ABC SECURITIES SDN BHD** (Company No: 30653-X) a company incorporated in  
Malaysia and having its Head Office at **NO. \_\_\_\_\_ KUALA LUMPUR**  
and having its Operational Office at:

(hereinafter called “ **the Company**”) of the one part And

(hereinafter called “ **the Customer**”) of the other part.

**WHEREAS:**

- (1) The Customer has requested the Company to provide it with the services specified in the Schedule of Service hereto (hereinafter referred to as the “said Service”).
- (2) The Company has agreed to accept the Customer’s request upon the terms and conditions hereinafter contained.

**NOW IT IS HEREBY AGREED as follows:**

1. The Company shall provide the Customer with the said Service from the \_\_\_\_\_ day of \_\_\_\_\_  
**20**
2. The location(s) where the said Service is/are to be rendered is/are specified in the Schedule of Service annexed hereto.
3. This Contract shall subject to Clause 11 remain in force for a minimum period of twelve (12) months from the commencement of service and thereafter from month to month until either party terminates this Contract by giving the other party **THIRTY (30) DAYS** prior notice in writing.
4. **SERVICE CHARGES AND TERMS OF PAYMENT**
  - (i) The Customer shall pay to the Company for the said Service the agreed charges of Ringgit :

per month (hereinafter referred to as the “Service Charges”), payable at the end of each month. Payment shall be made **NOT LATER** than the **FOURTEENTH (14<sup>th</sup>) DAY** of each succeeding calendar month.

- (ii) The Company reserves the right to impose interest at the rate of 1.5% per month on any amount which remains unpaid by the date upon which it becomes due.
- (iii) Any consent of the Company to waive the aforesaid period of payment must be in writing and signed by a Director of the Company.
- (iv) All payments by the Customer shall be made by crossed cheque and made payable in favour of the Company.
- (v) In the event the number of security personnel required by the Customer is increased or decreased, the Service Charges shall correspondingly increase or decrease.
- (vi) The Customer shall subject to sub-clause (viii) pay the Service Charges to the Company in full irrespective of any claims made against the Company for any loss and/or damage under this Contract and the Service Charges shall not under any circumstances be set off or debited against any such claims made against the Company.
- (vii) All Bills and Invoices submitted by the Company to the Customer shall be deemed to be correct and shall not be open to dispute after fourteen (14) days of the date of receipt of the said Bills and Invoices.
- (viii) In the event, the Customer makes claims against the Company in connection with the absence of or for any failure of the Company to place its security personnel at the location(s) specified by the Schedule of Service in the course of any particular month, the Customer shall provide the Company with evidence of such absence or failure within the fourteen-day period specified in sub-clause (vii) in order for the billing for the Service Charges for that particular month to be adjusted accordingly, failing which the Company shall be deemed to have provided the said Service as per the terms of this Contract.

## **5. VARIATION OF SERVICE CHARGES**

Notwithstanding clause 4 above, it is hereby mutually agreed as follows :-

- (i) Should the Security Services Association of Malaysia (PPKKM), the Association to which the Company is a member of and which governs the Company, raise the minimum rates for service charges and in so doing brings the rate above the previously agreed contractual rate for the Service Charges, the Customer hereby agrees to pay the Company the increased rate for the Service Charges effective from the date of the increase of the minimum rates by the PPKKM.
- (ii) Should the Authorities, whether Government or otherwise, pass a law or regulation making it mandatory for the Company to pay their security personnel a minimum wage resulting in an increase in the cost of provision of the Services, the Customer agrees to pay any increase in the Service Charges from the date of the implementation of such law or regulation

## 6 GENERAL PROVISIONS AS TO LIABILITY OF COMPANY

- (i) In its endeavour to perform this Contract, the Company shall be responsible for any want of proper care on the part of the Company in the selection or employment of the security personnel assigned to provide the said Service. Save for any breach of that duty and subject to Clause 7, the Company shall not be liable to the Customer under any circumstances whatsoever for any deliberate wrongful act personally committed by such security personnel, whether civil or criminal, against the Customer or any of its employees, servants or agents.
- (ii) The Company shall be liable for any loss or damage suffered by the Customer only upon the occurrence and as a result of the circumstances set out in Clause 7 only if it may be shown that such loss or damage is caused by the sole negligence of the Company's security personnel acting in the course of the provision of the said Service.
- (iii) In order to mitigate losses, the Customer hereby agrees to place all valuables, including bank cheque, crossed or uncrossed, postal orders, money orders, saving certificates, security documents, gems, jewellery and bullion in a safe **which must be immovable and secured either to the floor or to the wall in the Customer's premises.** In the event of non-compliance by the Customer, the Company shall not be liable for any loss or damage suffered by the Customer in connection with such valuables as a result of any burglary, theft, fire or robbery, even if such loss or damage shall be caused by the sole negligence of the Company's security personnel acting the course of the provision of the said Service.
- (iv) **Special provision on keys**

Except in the case of a set of keys to the Customer's premises delivered to and taken into custody by the Company or its security personnel assigned to the Customer's premises for the purposes of due performance of this Contract, for which a written receipt shall have been issued to the Customer, the Company shall not be liable under any circumstances whatsoever, whether by negligence or otherwise, for any loss or damage suffered by the Customer as a result of the loss of keys including the duplicates of the keys delivered to the Company as aforesaid, and for the cost of the changing of locks at the Customer's premises as a result of such loss of keys.
- (v) **Special provision on strikes etc.**

The Company shall not be responsible in any circumstances whatsoever for any failure by the Company to carry out the said Service or any part thereof, where such failure is caused by any strike, or lock-out, or labour dispute, or weather conditions, actual or threatened monsoons, or traffic congestion, or mechanical breakdown, condition of or obstruction of any public or private road or highway, or any cause whatever beyond the Company's control.

## 7. NOTIFICATION OF CLAIMS

- (i) In the event of any occurrence which may give rise to a claim by the Customer against the Company under this Contract, the Customer shall within **TWENTY FOUR (24) HOURS** after such occurrence **MAKE A REPORT** of the same **TO THE POLICE** and shall within **FORTY-EIGHT (48) HOURS** of such occurrence **GIVE NOTICE IN WRITING BY REGISTERED POST** to the Company at its Head Office address given herein and shall furnish to the Company all particulars of any loss or damage suffered by the Customer, in terms of the items, quantity and total value or any such other particulars and information as the Company may require in connection with such occurrence.
- (ii) **ANY CLAIM** by the Customer against the Company shall be made **IN WRITING BY REGISTERED POST TO THE COMPANY'S HEAD OFFICE WITHIN SEVEN (7) DAYS** of the occurrence giving rise to the claim.
- (iii) The Company shall not be responsible under any circumstances or to any extent whatever, whether for breach of contract or negligence, unless the Customer strictly complies with the provision of Clause 7(i) and 7(ii) herein.
- (iv) The onus of proof shall lie solely on the Customer to show that there has been damage, injury or loss sustained or that there has been an act of neglect on the part of the Company.

## 8. LIMIT OF COMPANY'S LIABILITY

Subject to the express or implied provisions of this Contract, if the Company shall be found to be liable to the Customer for any loss or damage of whatsoever nature arising out of or connected with the provision of the said Service, or any negligence on part of Company or its employees or agents, such liability shall be limited to the payment by the Company by way of damages of a sum:

- (i) Not exceeding **Malaysian Ringgit: Two Thousand (RM 2,000.00)** in respect of any one claim arising from any duty assumed by the Company which involves the operation, testing examination or inspection of the operational condition of any machine, plant or equipment in or about the Customer's premises, or which involves the provision of any service not solely related to the prevention or detection of fire or theft;
- (ii) Not exceeding a maximum of **Malaysian Ringgit: Ten Thousand (RM 10,000.00)** for the consequences of any incident involving fire, theft, or any other cause of liability on the Company under the terms hereof;

and further provided that the total liability of the Company shall not in any circumstances exceed the sum of **Malaysian Ringgit: Ten Thousand (RM 10,000.00)** in respect of all and any incidents arising during any consecutive period of twelve (12) months.

## **9. PROTECTION OF SECURITY PERSONNEL AGAINST PERSONAL LIABILITY**

If the Company's security personnel commits any act or default in the course of the provision of the said Service on behalf of the Company which may give rise to the liability of such security personnel to the Customer for negligence, then it is hereby expressly agreed that such security personnel shall not be personally liable and shall be entitled to the protection of all the terms and conditions hereof as regards any claim by the Customer against such security personnel for such negligence, except in cases of deliberate wrongful acts personally committed by the said security personnel not in the course of his duties, for which the security personnel shall be personally liable to the Customer.

## **10. APPLICATION OF LIMIT OF LIABILITY**

- (i) The Customer hereby acknowledges that the potential losses that might result from the failure by the Company or its security personnel to provide the said Service or to take any particular precaution or care or to do or avoid doing any act in the provision of the said Service, are much greater in proportion to the sums which can reasonably be charged hereunder by the Company for the said Service that the Company cannot and shall not assume any liability whatsoever in respect of any loss or damage howsoever caused outside or beyond the limits expressly provided by this Contract.
- (ii) In such circumstances, the Customer hereby agrees that for the purposes of mitigation of losses, the Customer may separately obtain such insurance cover as may be necessary to guard and protect itself from any potential loss or damage that it might suffer in consequence of any negligence or breach of contract or other wrongful act whatsoever on the part of the Company or its security personnel in the course of the provision of the said Service and the Company has no obligation to provide such or any insurance cover for the Customer.
- (iii) It is hereby expressly agreed by the parties that the exclusion and limitation of liability provided herein shall, notwithstanding the termination to this contract by fundamental breach or otherwise, protect the Company and its security personnel in all circumstances whatsoever, howsoever great the loss or damage suffered by the Customer or the consequences of any negligence or breach of contract or other wrongful act whatever on the part of the Company or its security personnel may be.

## **11. TERMINATION OF CONTRACT**

- (i) Notwithstanding Clause 3, should the Customer fail to pay the Service Charges within fourteen (14) days of each succeeding month, as per clause 4(i), whether any formal demand for compliance had been made or not the Company shall be entitled to **TERMINATE** the said Service by giving **FORTY EIGHT (48) HOURS NOTICE** (in writing) of the same and thereafter this Contract shall be deemed terminated.
- (ii) This Contract may be determined by either party forthwith if the other party commits any breach of its obligations hereunder or (being an individual) shall commit an act of bankruptcy or (being a corporation) shall go into liquidation

other than for the purposes of reconstruction or amalgamation or shall suffer the appointment of a Receiver of any of his or its property or income or make any deed or arrangement with or composition for the benefit of any of his or its creditors.

## **12. STRIKES**

In the event of a strike on the Customer's premises the Company's employees will not be required to carry out any additional duties or any duties of a strike-breaking nature.

## **13. PROHIBITION AGAINST EMPLOYMENT**

If during the term of this Contract the performance of the Company's obligations hereunder would or might cause the Company to be in conflict with a third party on a political issue or in connection with any civil dispute, the Company shall be absolved from its obligations hereunder either wholly or to such an extent as may be necessary to avoid such conflict (as circumstances may require).

The Customer undertakes that it or its subsidiaries will not during the period of subsistence of the Contract, or within one year next after the termination thereof (howsoever the same may be determined) either:-

- (i) Knowingly offer employment in any capacity to any person who is or shall have been an officer or servant of the Company during such period, or
- (ii) Knowingly employ any firm or Company managed or controlled by such person and offering a similar service to that which is provided by the Company hereunder.

## **14. CONSEQUENCES OF BREACH BY CUSTOMER**

In the event the Customer breaches its undertaking in Clause 13 or fails to comply with the same, the Customer hereby agrees and undertakes to pay the Company upon demand, the sum of **Malaysian Ringgit (RM 20,000.00)** only as agreed liquidated damages.

## **15. WAIVER**

No indulgence of whatsoever kind shown by the Company on the implementation of any of the terms and conditions under this Contract shall be considered to be a waiver of any of the Company's rights and privileges hereunder.

## **16. LEGAL RIGHT/TITLE**

It is mutually agreed that all security log books, duty rosters of the guards and any other documents provided by the Company in connection with the said Service shall be the sole property of the Company and the Customer shall have no right to demand or examine the same.

## **17. INDEMNITY**

The Customer shall for all intents and purposes of this Contract be or be deemed to be the beneficial owner of all property present on its premises, the protection of which is the subject of this Contract. Accordingly, the Customer shall indemnify and keep the Company and its security personnel indemnified against any and all claims brought by any third party claiming ownership to such property for loss or damage to the same arising out of or in connection with the provision of the said Service by the Company.

## **18. COMMENCEMENT DATE**

This Contract shall commence from the date of its execution by both the Customer and the Company PROVIDED that in the event the Company has begun the provision of the said Service prior to the execution of this Contract, then this Contract shall commence from the date of such provision.

## **19. NON EXECUTION OF CONTRACT**

In the event this Contract is not executed by the Customer despite being sent to the Customer for execution and the Company has commenced the said Service, the Customer shall be deemed to have agreed to the provisions hereof and this Contract shall be in full force and effect between the parties notwithstanding such non-execution.

## **19. NOTICE**

Any notice in writing required to be served pursuant to this Contract shall be sufficiently served on the Customer if addressed to the Customer and sent by **REGISTERED POST** or delivered **BY HAND** to the last known address at place of business, and shall be sufficiently served on the Company if sent by **REGISTERED POST** or delivered **BY HAND** to its Head Office address above mentioned. A notice by post shall be deemed to be given at the time when it ought in due course of post to be delivered at the address to which it is sent.

## **20. ENTIRE CONTRACT**

This Contract together with the Schedule of Service hereto:-

- (i) Shall constitute the entire contract between the Company and the Customer and shall not incorporate or be deemed to incorporate the provisions of any extraneous document.
- (ii) Shall supersede the provisions of any previous contract, warranty or representation made or give relating to the said Service.

## **21. INDEMNITY FOR COSTS**

The Customer hereby agrees to indemnify and keep the Company indemnified against all costs and proceedings and demands of any description whatsoever including solicitors' fees and court costs in the event it becomes necessary for the Company to institute any legal proceedings of any nature in order to enforce its rights under this Contract.

**22. VENUE FOR LEGAL/ARBITRATION PROCEEDINGS**

- (i) It is mutually agreed by the Company and the Customer that in the event of any legal proceedings, the law courts at [**Kuala Lumpur**] shall be the venue of litigation.
- (ii) Alternatively, the Company and the Customer are free to utilise Arbitration as a method of settling any disputes whereby the Parties are free to decide on the venue of and identity of the Arbitrator.

**23. AUTHORITY TO SIGN:-**

- (i) For the avoidance of any doubt it is hereby declared that no person other than a Director, General Manager, Assistant General Manager, Administration Manager, Regional Managers, and the Branch Managers of the Company has the authority to sign this Contract on behalf of the Company.
- (ii) No variation extension omission or cancellation of the terms and conditions herein contained shall bind the Company unless and until it is confirmed in writing under the hands of a Director of the Company.

**24. GENDER**

In this Contract, the words importing the masculine gender only shall include the feminine and neuter genders and vice-versa, and words importing the singular number only include the plural and vice-versa.

**25. ADDITIONAL SERVICES**

It is mutually agreed by both parties that the Company may upon the request of the Customer provide any additional services at the existing location(s) and/or at any other locations requested by the Customer, other than those specified in the Schedule of Service hereto SUBJECT to the Customer paying additional service charges mutually agreed upon by both parties, and shall further be subjected to all the terms and conditions of this Contract.

**26. BREAK TIME**

It is mutually agreed that the Customer shall provide the Company's security personnel assigned to its premises with a reasonable break times for their meals and rest.

**27. STAMP DUTY**

It is mutually agreed that the ad valorem stamp duty for this Agreement shall be paid by the Customer.



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**SCHEDULE OF SERVICE**

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

**SIGNED** by )  
 )  
Name : ..... )  
 )  
Designation : ..... ) .....

for and on behalf of the )  
**COMPANY** in the presence of :- )  
 )  
Name : ..... )  
 )  
Designation : ..... ) .....

**SIGNED** by )  
 )  
Name : ..... )  
 )  
Designation : ..... ) .....

for and on behalf of the )  
**CUSTOMER** in the presence of :- )  
 )  
Name : ..... )  
 )  
Designation : ..... ) .....