

9/87
No.27 of 1978

IN THE JUDICIAL COMMITTEE OF THE PRIVY COUNCIL

O N A P P E A L

FROM THE FEDERAL COURT OF MALAYSIA
(APPELLATE JURISDICTION)
(CIVIL APPEAL NO. 109 of 1976)

B E T W E E N :

TEOH CHAI SIOK

Appellant

- and -

DIRECTOR GENERAL OF INLAND REVENUE

Respondent

RECORD OF PROCEEDINGS

GASTERS,
44 Bedford Row,
London, WC1R 4LL

Appellant's Solicitors

STEPHENSON HARWOOD,
Saddlers' Hall,
Gutter Lane,
London, EC2V 6BS
Respondent's Solicitors

IN THE JUDICIAL COMMITTEE OF THE PRIVY COUNCIL

O N A P P E A L
FROM THE FEDERAL COURT OF MALAYSIA
(APPELLATE JURISDICTION)
(CIVIL APPEAL NO.109 of 1976)

B E T W E E N :

TEOH CHAI SIOK Appellant
- and -
DIRECTOR GENERAL OF INLAND REVENUE Respondent

RECORD OF PROCEEDINGS

INDEX OF REFERENCE

PART I

No.	Description of Document	Date	Page No.
1	Notice of Appeal to the Special Commis- sioners of Income Tax	28th February 1975	1
2	Deciding Order	30th September 1975	3
	<u>IN THE HIGH COURT</u>		
3	Case Stated	28th November 1975	6
4	Judgment of the High Court	10th July 1976	19
5	Order	10th July 1976	34
	<u>IN THE FEDERAL COURT (APPELLATE JURISDICTION)</u>		
6	Notice of Appeal to Federal Court	23rd July 1976	36

No.	Description of Document	Date	Page No.
7	Memorandum of Appeal to the Federal Court	4th September 1976	37
8	Judgment of Gill, Chief Justice	25th June 1977	39
9	Order of Federal Court	25th June 1977	49
10	Order granting Final Leave to Appeal to His Majesty the Yang Dipertuan Agong	3rd April 1978	50

EXHIBITS

Part II

Exhibit Number	Agreed Bundle of Documents	Date	Page No.
A1	Agreement between Madam Soh Tuan and taxpayer	3rd September 1961	52
A2	Letter from Land Office to G.N.Christie	4th July 1963	55
A3	Copy of Letter from Chang Min Tat to taxpayer	4th July 1963	56
A4	Copy letter from Chang Min Tat to Land Office, Kota Star	13th July 1963	57
A5	Copy of letter from Taxpayer's Solicitors Jayadeva & Zahir to Mr.Chang Min Tat	18th July 1963	59
A6	Copy of letter from Chang Min Tat to Jayadeva & Zahir	20th July 1963	61
A7	Copy of letter from Taxpayer's Solicitors Jayadeva & Zahir to Chang Min Tat	29th July 1963	62
A8	Copy of letter from Presgrave and Matthews to G.N.Christie	10th April 1964	63
A9	Letter from Presgrave and Matthews to taxpayer	4th August 1964	64
A10	With enclosure referred to being letter from Land Officer to G.N. Christie	4th July 1963	65
A11	Agreement between Madam Soh Tuan and taxpayer	9th March 1966	66
A12	Copy of letter from Taxpayer's Solicitors Allen and Gledhill to Director of Lands, Alor Star	9th September 1966	69

Exhibit Number	Agreed Bundle of Documents	Date	Page No.
A13	Reply from Director of Lands (Translation)	15th September 1966	70
A14	Letter from Taxpayer to Collector of Land Revenue (Translation)	15th September 1966	71
A15	Reply from Land Office (Translation)	17th September 1966	72
A16	Writ of Summons in Alor Star High Court Civil Suit No. 133 of 1966	22nd September 1966	73
A17	Statement of Claim in Alor Star High Court 133 of 1966	22nd September 1966	75
A18	Statement of Defence in Civil Suit No. 133 of 1966	12th October 1966	77
A19	Reply in Civil Suit No. 133 of 1966	10th November 1966	79
A20	Amended Statement of Defence in Civil Suit No. 133 of 1966	7th July 1967	80
A21	Notes of Evidence in Civil Suit No.133 of 1966	29th March 1968	84
	Pleadings in Alor Star High Court Civil Suit No. 114 of 1968		
A22	(a) Writ of Summons	28th May 1968	94
A23	(b) Statement of Claim	28th May 1968	97
A24	(c) Requisition for further and better particulars	26th June 1968	102
A25	(d) Further and Better Particulars	10th July 1968	104
A26	(e) Statement of Defence and Counterclaim	23rd July 1968	106

Exhibit Number	Agreed Bundle of Document	Date	Page No.
A27	(f) Reply and Defence to Counterclaim	28th August 1968	109
A28	Grounds of Judgment in Civil Suit No. 133 of 1966	22nd May 1968	110
A29	Letter from Taxpayer's Solicitors Jayadeva, Zahir & Ismi to Sharikat Goh Guan Hoe	9th April 1970	112
A30	Consent Order	11th July 1971	114
A31	Letter from Pejabat Penilaian Negeri to Taxpayer's Solicitors	8th August 1971	116
A32	Letter from Pejabat Chukai Setem to Taxpayer's Solicitors	9th August 1971	117
A33	Transfer from Soh Tuan to Taxpayer	10th August 1971	118
A34	Copy of letter from Akitek Antara to Land Office	20th October 1971	121
A35	Letter from Pemungut Hasil Tanah, Kota Star to Teoh Chai Siok	9th April 1972	122
A36	Copy of letter from Malayan Banking to Pemungut Hasil Tanah, Kota Star	15th April 1972	123
A37	Copy of letter from Akitek Antara to Pemungut Hasil Tanah, Kota Star	1st June 1972	124
A38	Letter from Penungut Hasil Tanah, Kota Star to Akitek Antara	3rd June 1972	125
A39	Xerox copy of letter from Pengarah Peranchang Bandar dan Kampong Negeri Kedah to Pemungut Hasil Tanah Kota Star	8th June 1972	126

Exhibit Number	Agreed Bundle of Document	Date	Page No.
A40	Copy of letter from Akitek Antara to Pemungut Hasil Tanah, Kota Star	24th June 1972	127
A41	Copy of letter from Setiausaha, Majlis Banaran Alor Star to Pemungut Hasil Tanah, Kota Star	27th September 1972	128
A42	Memorandum and Articles of Association of Chai Hup & Sons Sdn.Bhd. incorporated	22nd January 1973	129
A43	C.H.Williams & Co. (Sdn) Valuation Report	2nd February 1973	163
A46	Xerox copy of letter from Pemungut Hasil Tanah, Kota Setar to Teoh Chai Siok	18th February 1973	167
A47	Copy of letter from Akitek Antara to Setiausaha Majlis Bandaran, Alor Setar	10th March 1973	170
A48	Copy of letter from Chai Hup & Sons Sdn. Bhd. to Setiausaha Majlis Bandaran Alor Setar	25th March 1973	171
A49	Agreement between taxpayer and Chai Hup & Sons Sdn. Bhd.	15th April 1973	172
A50	Copy of letter from Setiausaha Majlis Bandaran, Alor Setar to Chai Hup & Sons Sdn. Bhd.	9th June 1975	174
A51	Letter from Setiausaha, Majlis Bandaran Alor Setar to Akitek Antara	16th July 1973	175
A52	Copy of letter from Akitek Antara to Koh Han Khai	18th July 1973	176

Exhibit Number	Agreed Bundle of Documents	Date	Page No.
A53	Copy of letter from Akitek Antara to Setiausaha Majlis Bandaran, Alor Setar	2nd August 1973	177
A54	Letter from Setiausaha Majlis Bandaran Alor Setar to Akitek Antara	1st October 1973	178
A55	Trading and Profit Loss Account for the year ended 31.12.1973		180
A56	Transfer from Taxpayer to Chai Hup & Sons Berhad	29th December 1973	182
A57	Letter from Revenue to Taxpayer (Translation)	18th September 1974	185
A59	Letter from Khoo Khai Hong to Revenue	11th October 1974	186
A61	Letter from Revenue to Taxpayer	2nd November 1974	188
A62	Letter from Khoo Khai Hong to Revenue with enclosed particulars	15th November 1974	189
A63	Letter from Revenue to Khoo Khai Hong & Company	23rd November 1974	191
A64	Letter from Khoo Khai Hong to Revenue enclosing aforesaid agreement	6th December 1974	192
A65	Trading and Profit & Loss Accounts for the year ended 31.12.1974		193
A67	Letter from Khoo Khai Hong to Revenue	20th January 1975	195

Exhibit Number	Agreed Bundle of Documents	Date	Page No.
A68	Letter from Revenue to Khoo Khai Hong	30th January 1975	196
A69	Notice of Appeal to Special Commissioners Form Q	28th February 1975	197
A70	Letter from Khoo Khai Hong to Revenue	28th February 1975	198
A71	Letter from Revenue to Khoo Khai Hong	12th March 1975	199
A72	Letter from Khoo Khai Hong to Revenue	24th March 1975	200
A73	Letter from Revenue to Secretary Special Commissioners	21st May 1975	201
B	Surat Gadnian Tanah	25th August 1964	202
C	Copy of letter	23rd May 1966	205
D	Copy of letter	20th July 1966	206
E	Copy of letter	29th July 1966	207
F	Letter from Assistant Registrar of Companies, Malaysia, Pulau Pinang	4th September 1975	208
G	Accounts of Chop Sin Hin as at 31.12.1961		210
H	Accounts of Chop Sin Hin as at 31.12.1962		212
I	Accounts of Chop Sin Hin as at 31.12.1963		214
J	Accounts of Chop Sin Hin as at 31.12.1964		216
K	Accounts of Chop Sin Hin as at 31.12.1965		218
L	Accounts of Chop Sin Hin as at 31.12.1966		221

Exhibit Number	Agreed Bundle of Documents	Date	Page No.
M	Accounts of Chop Sin Hin as at 31.12.1967		224
N	Accounts of Chop Sin Hin as at 31.12.1968		227
O	Accounts of Chop Sin Hin as at 31.12.1969		230
P	Accounts of Chop Sin Hin as at 31.12.1970		233
Q	Accounts of Chop Sin Hin as at 31.12.1971		236
R	Accounts of Chop Sin Hin as at 31.12.1972		238

DOCUMENTS TRANSMITTED TO THE PRIVY COUNCIL BUT
REPRODUCED SEPARATELY

Exhibit	Description	Date
A66	Notice of Additional Assessment Year of Assessment: 1974	18th January 1975

DOCUMENTS TRANSMITTED TO THE PRIVY COUNCIL
BUT NOT REPRODUCED

VOLUME ONE

PART I

Notes recorded by Syed Agil Barakbah

Written submissions of Respondent

PART II

Exhibits

A44 & Plans attached to Exhibit A43 being
A45 Valuation report of C.H.Williams & Co.

The originals of translations have been
omitted in favour of translations.

VOLUME TWO

Notes of argument of S.S.Gill, Chief Justice

Notes of argument of Ong Hock Sim, Judge
Federal Court Malaysia

Notes of argument recorded by Raja Azlan
Shah, Judge, Federal Court, Malaysia

Written submission of Lim Ewe Hock

Affidavit of Lim Ewe Hock affirmed
22nd July 1977

Order of Federal Court granting conditional
leave to appeal

No.1
Notice of
Appeal to
the Special
Commissioners
of Income Tax
28th February
1975
(continued)

Name: Teoh Chai Siok Taksiran No./Assessment No.
OG.115857-00

I Teoh Chai Siok being aggrieved by the assessment*/additional assessment dated 18th January, 1975 showing \$288,658.30 tax payable for year of assessment notice of which was served on me on 18th January, 1975 appeal to The Special Commissioners on the following grounds :

That the sum of \$538,790 included in the assessment under the heading of Trade Income is a capital profit not chargeable to income tax.

10

Sgd. (In Chinese)

Date: 28th February, 1975

Sole Proprietor

No. 2
DECIDING ORDER -
30th September 1975

Special
Commissioners
of Income Tax
No.2
Deciding Order
30th September
1975

MALAYSIA

THE SPECIAL COMMISSIONERS OF INCOME TAX
APPEAL NO. P.K.R. 219

Between

Teoh Chai Siok

Appellant

And

10 Director General of Inland Revenue

Respondent

DECIDING ORDER

1. We, the Special Commissioners of Income Tax,
find and decide that :-

- 20 (a) the appellant who was a sundry shop-
keeper at Alor Star, Kedah, and who
also carried on a business as a licensed
money-lender, on the 3rd of September,
1961, entered into an agreement (here-
inafter referred to as "the first
agreement") to purchase land under padi
(hereinafter referred to as "the
property") comprised in Surat Putus
Kechik No.14750, Mukim Alor Malai,
Alor Star District, Kedah, for a sum
of \$31,500.00;
- 30 (b) the vendor of this property undertook
- (i) to apply for and obtain Government
permission for alteration of the
condition of tenure of the
property so that it could be used
for the exclusive purpose of
erecting dwelling houses thereon;
 - (ii) to apply to the Town Council for
approval to erect houses on the
property;
 - (iii) to take steps within eight months
to effect the removal of four
existing houses on the property; and
- that in the event of the vendor being

Special
Commissioners
of Income Tax
No.2
Deciding Order
30th September
1975
(continued)

- unable to comply with the above undertakings the vendor was to refund to the appellant the sum of \$9,000.00 being deposit paid by the appellant and the agreement would be treated as null and void;
- (c) from 3rd of September, 1961, up till 9th of March, 1966, the vendor failed to execute a legal transfer of the property to the appellant and was also unable to fulfill the specific undertakings set out under paragraph (b) above; 10
- (d) on 9th March, 1966, a new agreement (hereinafter referred to as "the second agreement") to purchase the said property was entered into between the appellant and the same vendor and that under this second agreement the vendor again gave the same undertakings as existed under the first agreement; 20
- (e) by order of the High Court at Alor Star dated 11th July, 1971, the vendor executed a registrable transfer of title in the property to the appellant after the appellant had paid an additional sum of \$9,809.45 thus making a total of \$40,809.45 to the vendor, and the appellant became the registered owner of the property on 10th of August, 1971; 30
- (f) the appellant accepted the transfer of the property to himself without the vendor fulfilling any of the undertakings mentioned under the second agreement;
- (g) on 15th of September, 1971, the appellant himself applied to the State Government for alteration of the condition of tenure of the property, and on 18th February, 1973, the Collector of Land Revenue, Kota Star, notified the appellant of the approval of his application; 40
- (h) the appellant gave instructions to Messrs. C.H. Williams & Co. (Sdn.) Bhd., a firm of Chartered Surveyors, Penang, to put up a report and valuation in respect of the property and on 2nd of

February, 1973 the property was assessed at \$455,968.50;

Special
Commissioners
of Income Tax
No.2
Deciding Order
30th September
1975
(continued)

10 (i) on 15th of April, 1973, the appellant sold the property to a company by the name of Chai Hup & Sons Sdn.Bhd., which company was incorporated on 2nd March, 1973, for the sum of \$580,000.00 and the appellant was paid in shares equivalent in value to \$580,000.00 by the said company;

(j) the appellant transferred these \$580,000.00 shares of the said company to his wife and children;

(k) the appellant became a director of Chai Hup & Sons Sdn.Bhd. without any shareholding qualification under Article 71 of the Articles of Association of the said company;

20 (l) the sum of \$538,790.00 included in the additional assessment for the year of assessment 1974 dated 18th January, 1975, is assessable to tax as it constitutes income in respect of gains on profits from a business within the meaning of section 4(a) of the Income Tax Act, 1967.

2. We hereby order that the assessment of income tax in respect of the appellant for the year of assessment 1974, as per notice of additional assessment dated 18th January, 1975, be confirmed.

30 Dated this 30th day of September, 1975.

Sd. (E.E.SIM)
Presiding Special Commissioners of
Income Tax

Sd. (LEE KUAN YEW)
Special Commissioner of Income Tax

Sd. (TAN SRI HJ.WAN HAMZAH B.HJ.W.MOHD.)
Special Commissioner of Income Tax.

In the High
Court in
Malaya at
Alor Setar

No. 3

CASE STATED - 28th
November 1975

No. 3
Case Stated
28th November
1975

Teoh Chai Siok

Appellant

vs.

Director General of Inland
Revenue

Respondent

CASE STATED by the Special Commissioners
of Income Tax for the opinion of the High
Court pursuant to paragraph 34 of
Schedule 5 to the Income Tax Act, 1967

10

1. The appellant appealed to us, the Special
Commissioners of Income Tax, in respect of the
sum of \$538,790.00 which was included under
trade income in the assessment of income tax
for year of assessment 1974 as per notice of
additional assessment dated 18th January, 1975.

2. The only ground of appeal as set out in
the appellant's notice of appeal (Form Q) dated
28th February, 1975, was as follows :-

20

"That the sum of \$538,790.00 included in
the assessment under the heading of
Trade Income is a capital profit not
chargeable to income tax."

3. The sole question for our determination
was whether the said sum of \$538,790.00 was
assessable to income tax within the meaning
of section 4(a) of the Income Tax Act, 1967.
There was no dispute as to quantum.

4. We heard the appeal on 25th, 26th and
27th September, 1975, and gave our decision
on 30th September, 1975.

30

5. Encik Lim Ewe Hock, Advocate and Solicitor,
appeared for the appellant assisted by Encik
Khoo Khai Hong, Accountant. Encik Rashid bin
Abdul Manaf, Senior Federal Counsel, appeared
for the respondent assisted by Cik Ng Oi Leng,
Assessment Officer, and Encik Ong Tiong Hun,
Examiner. Encik Lim Ewe Hock called the
appellant to give evidence. The respondent
did not call any witnesses.

40

6. The following documents were agreed and produced before us at the hearing:

In the High Court in Malaya at Alor Star

- (a) Exhibit A1 - Agreed Bundle of documents
(b) " A2 - Surat Gadaian Tanah dated 25.8.1964
(c) " A3 - Copy of letter dated 23.5.1966
(d) " A4 - Copy of letter dated 20.7.1966
(e) " A5 - Copy of letter dated 29.7.1966
(f) " A6 - Letter dated 4.9.1975 from Assistant Registrar of Companies, Malaysia, Pulau Pinang.
(g) " A7 - Accounts of Chop Sin Hin as at 31.12.1961
(h) " A8 - Accounts of Chop Sin Hin as at 31.12.1962
(i) " A9 - Accounts of Chop Sin Hin as at 31.12.1963
(j) " A10 - Accounts of Chop Sin Hin as at 31.12.1964
(k) " A11 - Accounts of Chop Sin Hin as at 31.12.1965
(l) " A12 - Accounts of Chop Sin Hin as at 31.12.1966
(m) " A13 - Accounts of Chop Sin Hin as at 31.12.1967
(n) " A14 - Accounts of Chop Sin Hin as at 31.12.1968
(o) " A15 - Accounts of Chop Sin Hin as at 31.12.1969
(p) " A16 - Accounts of Chop Sin Hin as at 31.12.1970
(q) " A17 - Accounts of Chop Sin Hin as at 31.12.1971
(r) " A18 - Accounts of Chop Sin Hin as at 31.12.1972

No.3
Case Stated
28th November
1975
(continued)

7. The following facts were admitted or proved:

- (i) The appellant was a sundry shopkeeper, aged 50 years, who carried on his business at No.53 Jalan Tunku Ibrahim, Alor Setar, Kedah. He was also a licensed moneylender.
(ii) On 3.9.1961, he entered into an agreement (hereinafter referred to as "the first agreement") with one Madam Soh Tuan

In the High
Court in
Malaya at
Alor Setar

No. 3
Case Stated
28th November
1975
(continued)

(hereinafter referred to as "the vendor") of Batu 2, Jalan Langgar, Alor Setar, Kedah, for the sale of padi land (hereinafter referred to as "the property") in area 7 relongs 266 jempas (5 acres 1 rood 19 poles) held under S rat Putus Kechik No.14750, Mukim Alor Malai, Alor Setar District, Kedah, and shown on the survey plan as Lot 336, for the sum of \$31,500.00. 10

(iii) The relevant clauses of the first agreement for the purpose of this appeal were as follows :

"4. It shall be a condition of the sale that the Vendor shall apply for and obtain Government permission for alteration of the condition of tenure of the said land so that the said land may be used for the exclusive purpose of erecting dwelling-houses thereon. 20

5. After the Government permission shall have been obtained alteration of condition of tenure of the said land as aforesaid, the Vendor shall apply to the Town Council for approval to erect houses on the said land in numbers and of a specification to be determined and for this purpose the Vendor expressly binds himself to execute and sign all necessary or requisite papers or documents or other writings whatsoever and to take all necessary steps and in general to extend to the Purchaser all reasonable assistance and co-operation that may be required. 30

6. The Vendor shall within the said period of eight(8) months take immediate steps to effect the removal of the four existing houses on the said land 40

7.

8. In the event of such permission for change of condition of tenure of the said land being refused by the Government, or of its proving impossible to obtain the approval

of the Town Council for erection of dwelling-houses and to effect the immediate removal of the existing houses on the said land, then the Vendor shall be bound forthwith to refund to the Purchaser the said sum of Dollars Nine Thousand (\$9,000/-) and the present agreement shall then thereafter be treated as voided and of no effect."
(Exhibit A1 folio 1).

In the High Court in Malaya at Alor Setar
No. 3
Case Stated
28th November 1975
(continued)

10

20

30

40

50

- (iv) On 4.7.1963, the solicitor acting for the vendor was informed by the Ketua Pejabat Tanah, Kota Setar, Kedah, that her application for "the excision of agricultural condition of bendang-kampong in order to develop the land for dwelling-houses for sale" in respect of the property could not be considered "as the Agricultural Department has raised objection."
(Exhibit A1 folio 2).
- (v) On 4.7.1963, the Appellant was informed by the solicitor acting for the vendor that the vendor would like to treat the agreement as null and void, and that she had paid the sum of \$9,000.00 to be refunded to appellant as she was unable to obtain the necessary approval from Government to change the condition of tenur of the property.
(Exhibit A1 folio 3).
- (vi) After an exchange of a series of letters between solicitors acting for the appellant and for the vendor from 18th July to 4th August, 1964, (Exhibit A1 folios 5 to 10) a new agreement (hereinafter referred to as "the second agreement") was entered into between the appellant and the same vendor on 9.3.1966.
- (vii) Clauses 4 and 5 of the second agreement (Exhibit A1 folio 11) reproduced word for Clauses 4 and 5 of the first agreement. Clauses 6 and 8 of the second agreement were as follows :

"6. The Vendor shall within the said period of three (3) months take immediate steps to effect the removal of the four existing houses on the said land.

In the High Court in Malaya at Alor Setar

No. 3
Case Stated
28th November 1975
(continued)

7.
8. In the event of such permission for change of condition of tenure of the said land being refused by the Government, or of its proving impossible to obtain the approval of the Town Council for erection of dwelling-houses and to effect the immediate removal of the existing houses on the said land, then the Vendor shall be bound forthwith to refund to the Purchaser the said sum of Dollars Thirteen thousand and three hundred and nine and Cents forty five (\$13,309.45) and the present agreement shall then thereafter be treated as voided and of no effect." 10

The differences in the wording between clauses 6 and 8 of the second agreement and the respective clauses of the first agreement are as underlined above. 20

- (viii) After the execution of the second agreement the vendor did not transfer the property to the appellant. The appellant then sued the vendor in the Registry of the High Court at Alor Setar for specific performance of the second agreement during which period of litigation two civil suits were filed, viz: Civil Suit No.133 of 1966 (Exhibit A1 folio 16) and Civil Suit No.114 of 1968 (Exhibit A1 folio 22). 30
- (ix) In compliance of the order of Court dated 11.7.1971 in Civil Suit No.114 of 1968 (Exhibit A1 folio 30) the vendor executed a registrable transfer of title in the property to the appellant and he became the registered owner of the property on 10.8.1971 (Exhibit A1 folio 33). The appellant thus accepted the transfer of the property to himself without the vendor fulfilling any of the conditions under clauses 4, 5 and 6 of the second agreement. 40
- (x) On 13.9.1971, the appellant himself applied to the State Government for alteration of the condition of tenure of the property and on 18.2.1973, the 50

Collector of Land Revenue, Kota Setar, notified the appellant of the approval of his application (Exhibit A1 folio 46).

In the High Court in Malaya at Alor Setar

No. 3
Case Stated
28th November
1975

(continued)

10 (xi) On 15.4.1973, the appellant entered into an agreement with a limited liability company by the name of Chai Hup & Sons Sendirian Berhad to sell the property for the sum of \$580,000.00 (Exhibit A1 folio 49) and the appellant was paid in shares equivalent in value to \$580,000.00 by the said company.

(xii) The appellant later transferred these shares worth \$580,000.00 in the said company to his wife and children as follows :

Tan Siew Kia (wife) 290,000 shares at \$1 per share.

20 Teoh Kim Heoh (daughter) 58,000 shares at \$1 per share.

Teoh Peng Seng (son) 58,000 shares at \$1 per share.

Teoh Kim Toon (son) 58,000 shares at \$1 per share.

Teoh Peng Cheng (son) 58,000 shares at \$1 per share.

Teoh Kim Choo (daughter) 58,000 shares at \$1 per share.
(Exhibit A6)

30 (xiii) The appellant also became a director of Chai Hup & Sons Sdn.Bhd. without any shareholding qualification under article 71 of the articles of association of the said company.

8. It was contended on behalf of the appellant:

40 (a) that the sum of \$538,790.00 which is the difference between the sum of \$580,000.00 paid for the property by Chai Hup & Sons Sdn.Bhd. and the sum of \$41,210.00 being the total amount paid by the appellant for the property, was appreciation of capital and not gains or profits from a business within the meaning of section 4(a) of the Income Tax Act, 1967, and that it was for the Special Commissioners to decide

In the High
Court in
Malaya at
Alor Setar

No. 3
Case Stated
28th November
1975
(continued)

- whether the property was bought by the appellant as an investment or whether it was bought for trading;
- (b) that the intention of the appellant when he entered into the first agreement to purchase the property was very relevant as at that time what the appellant intended to do with the property was formulated in his mind;
- (c) that the appellant's intention was to purchase the property and keep it for his old age and for his family; 10
- (d) that the appellant chose to buy the property as houses could be built thereon and there was every likelihood of capital appreciation;
- (e) that even though the vendor's application for alteration of condition of tenure of the property was refused in 1963 the appellant still wanted to purchase the property and that when he entered into the second agreement his intention never changed; 20
- (f) that when he filed his two civil suits for specific performance he stated quite clearly in them that it did not matter whether the alteration of condition of tenure could be effected or not;
- (g) that after ownership in the property was transferred to appellant he was unable to get information whether if application was made for the alteration of condition of tenure by him it would be approved or not; 30
- (h) that by a stroke of luck his application was approved and the value of the property appreciated considerably;
- (i) that if it was decided that the appellant bought the property as an investment and if he later realised this investment and made a profit it was not assessable to income tax as it was a capital appreciation; 40
- (j) that even if it was decided that the appellant purchased the property with a view to resale it would only be

assessable to income tax if appellant had done something to the property before resale;

In the High Court in Malaya at Alor Setar

- (k) that on the facts there existed only an adventure but not an adventure in the nature of trade.

No. 3
Case Stated
28th November
1975

9. It was contended on behalf of the respondent :

(continued)

- 10 (a) that the sale of the property to Chai Hup & Sons Sdn.Bhd. was an adventure or concern in the nature of trade within the meaning of section 4(a) of the Income Tax Act, 1967, read with the definition of "business" under section 2 of the same Act;
- 20 (b) that even though intention to make a profit was immaterial in deciding whether it was an adventure in the nature of trade or otherwise, it was very relevant;
- (c) that the fact that it was an isolated transaction did not preclude the possibility of the transaction being an adventure in the nature of trade;
- 30 (d) that after considering the factual evidence, the documents produced and the the conduct of the appellant, there were sufficient grounds for the Special Commissioners to come to a decision that there was an adventure in the nature of trade;
- (e) that the appellant would have sold the property in the year 1963 if the vendor had been successful in her application for alteration of condition of tenure of the property.

10. The following authorities were submitted to us at the hearing :

- 40 (i) Californian Copper Syndicate Ltd. v. Harris 5 T.C. 159, 165.
- (ii) The Hudson's Bay Co. v. Stevens 5 T.C. 424, 436, 437.
- (iii) Tebrau (Johore) Rubber Syndicate Ltd. v. Farmer 5 T.C. 658.

In the High
Court in
Malaya at
Alor Setar

No. 3
Case Stated

28th November
1975

(continued)

- (iv) Tehw v. South West Africa Co.Ltd.
9 T.C. 141, 156, 158, 159.
- (v) Collins v. First-Breareley Stainless
Steel Syndicate Ltd. 9 T.C. 520,
564.
- (vi) Rutledge v. I.R.Commissioners 14
T.C. 490, 496.
- (vii) N.Y.F.Realty Sdn.Bhd. v. Comptroller
of Inland Revenue (1974) 1 M.L.J.183
- (viii) Director General of Inland Revenue 10
v. C.K.K. (1974) 2 M.L.J. 107.
- (ix) L. v. Comptroller of Inland Revenue
(1973) 2 M.L.J. 14.
- (x) C.E.C. v. Comptroller of Income Tax
(1971) 2 M.L.J. 43.
- (xi) Inland Revenue v. Livingston 11 T.C.
538, 542.
- (xii) C.H.Rand v. The Alburni Land Company
Ltd. 7 T.C. 629, 638.
- (xiii) Jones v. Leeming 15 T.C. 333, 355, 20
356.
- (xiv) Cape Brandy Syndicate v. I.R.
Commissioners 12 T.C. 358, 368.
- (xv) Martin v. Lowry 11 T.C. 297, 300,
309.
- (xvi) Williams (Inspector of Taxes) v.
Davies 26 T.C. 371. 376, 377.
- (xvii) Cooksey & Bibbey v. Rednall 30 T.C.
514.
- (xviii) Dunn Trust Ltd. v. Williams 31 T.C. 30
477, 483.
- (xix) Pearn v. Miller 1927 11 T.C. 610, 614.
- (xx) D.E.F. v. Comptroller of Income Tax
(1961) M.L.J. 55, 57.
- (xxi) Edwards v. Bainstow 36 E.C. 207.
- (xxii) E. v. Comptroller-General of Inland
Revenue (1970) 2 M.L.J., 117.
- (xxiii) Smitch Barry v. Cordy 28 T.C.250,258.

(xxiv) I.R.C. v. Incorporated Council of Law Reporting 3 T.C. 105, 133.

(xxv) Pickford v. Quirke 13 T.C. 251, 263.

(xxvi) Commissioner of Inland Revenue v. Fraser 24 T.C. 498.

In the High Court in Malaya at Alor Setar

No.3
Case Stated

28th November 1975

(continued)

10 11. We, the Special Commissioners of Income Tax, who heard the appeal, after giving due consideration to the evidence adduced before us and the submissions, agreed with the contentions advanced on behalf of the Director General of Inland Revenue. In our view, the sum of \$538,790.00 included in the additional assessment for year of assessment 1974 dated 18th January, 1975, was assessable to tax as it constituted income in respect of gains or profits from a business within the meaning of section 4(a) of the Income Tax Act, 1967.

20 12. In arriving at this decision the question paramount in our mind was: what was the intention of the appellant at the time he entered into the first agreement of sale and the second agreement of sale. His intention could only, of course, be ascertained by his conduct subsequent to 3rd September, 1961. Before that day he did not own vacant landed property.

30 13. The property was padi land about one and a half miles from the Centre of the town of Alor Setar. The appellant admitted in evidence that he wanted to buy the sort of land which could be used for housing development as it would serve more purposes to invest on land that could be developed later on. That was the reason he gave for requesting clauses 4, 5 and 6 to be included in the first agreement. That was also the reason why he paid three times its value as padi land for the property.

40 14. It was also very significant that after 4th July, 1963, when he learnt that the vendor was unable to fulfill the conditions under clauses 4, 5 and 6, he did not treat the first agreement as null and void. He was not willing to refund the deposit but was prepared to complete the purchase. In fact he instructed his solicitors to say that he was "prepared to wait for a further period to enable the Government to consider or re-consider your client's (the vendor's) application for the change of condition." The appellant was even
50 ready to make such an application himself

In the High
Court in
Malaya at
Alor Setar

No. 3
Case Stated
28th November
1975
(continued)

(Exhibit A1 folio 5).

15. What later transpired was that the appellant entered into the second agreement wherein the same conditions under clauses 4, 5 and 6 were given by the vendor. Appellant's evidence as to these undertakings being repeated in the second agreement was that he did not consider them necessary and he blamed the lawyer's clerk for this. Nevertheless, he signed the second agreement.

10

16. We found that :

(a) on 15th September, 1971, that is, five weeks after he became the registered owner of the property the appellant himself applied to the State Government for alteration of the condition of tenure of the property and on the 18th February, 1973, he was informed of the approval;

(b) before he became the registered owner of the property the appellant had paid monetary compensation to the occupiers of the four houses standing on the property (Exhibit A1 folio 21(2));

20

(c) the appellant must have himself given instructions to Messrs. C.H. Williams & Co. (Sdn.), Chartered Surveyors in Penang, to put up a report and valuation in respect of the property, and that he must have done this before receiving official confirmation of approval of alteration of condition of tenure as Messrs. C.H. William's report came out on 2nd February, 1973, and the official confirmation was dated 18th February, 1973;

30

(d) instructions to Messrs. C.H. Williams & Co. (Sdn.) on 1st January, 1973, could not have been given by Messrs. Chai Hup & Sons Sdn. Bhd. as the company was incorporated only on 2nd March, 1973.

40

17. After hearing the appellant and observing his demeanour when giving evidence we were convinced that the appellant had no doubt at all in his mind that the property had great development potential from as early as 30th September, 1961, and that it was not his intention to purchase the property and keep it

for his old age and in the meantime collect whatever rents or other form of income from the property until he had enough funds of his own to develop it.

In the High Court in Malaya at Alor Setar

10 18. On the above facts as set out and the surrounding circumstances we came to the conclusions that the appellant was very keen to buy the property and re-sell it as soon as he could at a great profit right from the year 1961, and that he pursued doggedly on with his intention to develop the property by erecting houses on it until it culminated in the order of the High Court at Alor Setar directing the vendor to transfer the property to himself.

No.3
Case Stated
28th November
1975
(continued)

20 19. We were on the evidence also convinced that the appellant took accelerated steps towards that development after he was successful in his application for alteration of the condition of tenure for by that date the whole of the property consisted, according to the report of Messrs. C.H.Williams & Co. (Sdn.) of a "long strip of vacant land surrounded by residential development of semi-detached and terrace houses". (See the photostat of the site plan of the property in Exhibit A1 folio 44).

30 20. We were also convinced, on the whole of the evidence, that if the vendor had succeeded in her application for change of condition of tenure in 1963 the appellant would have made the same moves in 1963 as he did in 1973 to immediately develop the property and realise a substantial profit.

40 21. One of the contentions of Encik Lim Ewe Hock was that as the sale of the property to Messrs. Chai Hup & Sons Sdn.Bhd. was an isolated transaction, and as not even one of the four following conditions approved by the Court in Leeming v. Jones was present, the existence of an adventure in the nature of trade had not been established :

- (i) the existence of an organisation,
- (ii) activities which lead to the maturing of the asset to be sold,
- (iii) the existence of special skill, opportunities in connection with the article dealt with, and
- (iv) the fact that the nature of the asset itself should lend itself to commercial transactions.

In the High Court in Malaya at Ator Setar

No. 3
Case Stated
28th November 1975
(continued)

On the other hand, it was contended on behalf of the respondent that not one, but all four of these conditions were present in this case. We were in entire agreement with the contention of the respondent for there was evidence in abundance which all pointed one way, that the only reasonable conclusion we could arrive at was that this isolated transaction was an adventure or concern in the nature of trade and any profits or gains derived therefrom assessable to income tax.

10

22. We accordingly ordered that the assessment of income tax in respect of the appellant for year of assessment 1974, as per notice of additional assessment dated 18th January, 1975 be confirmed.

23. The appellant by notice dated 10th October, 1975, required us to state a Case for the opinion of the High Court pursuant to paragraph 34 of Schedule 5 to the Income Tax Act, 1967, which Case we have stated and do sign accordingly.

20

24. The question of Law for the opinion of the High Court is whether, on the evidence before us, our decision was correct.

Dated this 28th of November, 1975.

Sgd. (E.E.SIM)
Presiding Special Commissioner of
Income Tax

Sgd. (LEE KUAN YEW)
Special Commissioner
of Income Tax

Sgd. (TAN SRI HJ.WAN
HAMZAH B.HJ.WAN
MOHD.)
Special Commissioner
of Income Tax

30

No. 4

JUDGMENT - 10th July
1976

In the High
Court in
Malaya at
Alor Star

IN THE HIGH COURT IN MALAYA AT ALOR STAR

ORIGINATING MOTION NO. 22 OF 1975

No.4
Judgment
10th July 1976

Between:

Teoh Chai Siok

Appellant

And

Director-General of Inland Revenue

Respondent

10

J U D G M E N T

20

30

40

This is an appeal on a question of law made under Schedule 5, paragraph 34 of the Income Tax Act, 1967, against the deciding order of the Special Commissioners who have accordingly stated a case for the opinion of the High Court. The appellant appealed to the Special Commissioners in respect of the sum of \$538,790.00 which was included under trade income in the assessment of income tax for the year of assessment 1974 as per notice of additional assessment dated 18th February, 1975. The only ground of appeal was "that the sum of \$538,790.00 included in the assessment under the heading of Trade Income is a capital profit not chargeable to income tax". In determining the sole question whether the said sum was assessable to income tax within the meaning of section 4(a) of the Act, the Special Commissioners decided that "there was evidence in abundance which all pointed one way, that the only reasonable conclusion we could arrive at was that this isolated transaction was an adventure or concern in the nature of trade and any profits or gains derived therefrom assessable to income tax." Accordingly an order was issued by notice of additional assessment to the effect that the said sum included in the additional assessment for the year of assessment 1974 dated 18th January, 1975, is assessable to income tax as it constitutes income in respect of gains or profits from a business within the meaning of section 4(a) of the Income Tax Act, 1967.

The question of law for the opinion of this Court is whether on the evidence before them the

In the High
Court in
Malaya at
Alor Star

No.4
Judgment
10th July 1976
(continued)

Special Commissioners' decision that the isolated transaction was an adventure or concern in the nature of trade and any profits or gains derived therefrom was assessable to income tax, was correct.

Mr. Lim Ewe Hock appeared for the appellant and Senior Federal Counsel Encik Abdul Rashid for the respondent.

Both parties conceded from the very beginning that the transaction involved a single isolated transaction. 10

The following facts were not in dispute:-

- (i) The appellant was a sundry shopkeeper, aged 50 years, who carried on his business at No.53, Jalan Tunku Ibrahim, Alor Setar, Kedah. He was also a licensed moneylender.
- (ii) On 3.9.1961, he entered into an agreement (hereinafter referred to as "the first agreement") with one Madam Soh Tuan (hereinafter referred to as "the vendor") of Batu 2, Jalan Langgar, Alor Setar, Kedah, for the sale of padi land (hereinafter referred to as "the property") in area 7 relongs 266 jembas (5 acres 1 rood 19 poles) held under Surat Putus Kechik No.14750, Mukim Alor Malai, Alor Setar District, Kedah, and shown on the survey plan as Lot 336, for the sum of \$31,500.00. 20 30
- (iii) The relevant clauses of the first agreement for the purpose of this appeal were as follows :

"4. It shall be a condition of the sale that the vendor shall apply for and obtain Government permission for alteration of the condition of tenure of the said land so that the said land may be used for the exclusive purpose of erecting dwelling-houses thereon. 40

5. After the Government permission shall have been obtained for alteration of condition of tenure of the said land as aforesaid, the vendor shall apply to the Town Council for approval to erect houses on the said land in numbers and of a specification to be determined and for this purpose the vendor expressly

binds himself to execute and sign all necessary or requisite papers or documents or other writings whatsoever and to take all necessary steps and in general to extend to the Purchaser all reasonable assistance and co-operation that may be required.

In the High Court in Malaya at Alor Star

No.4 Judgment

10th July 1976

(continued)

10

6. The vendor shall within the said period of eight (8) months take immediate steps to effect the removal of the four existing houses on the said land.

7.

20

8. In the event of such permission for change of condition of tenure of the said land being refused by the Government, or of its proving impossible to obtain the approval of the Town Council for erection of dwelling-houses and to effect the immediate removal of the existing houses on the said land, then the vendor shall be bound forthwith to refund to the purchaser the said sum of Dollars Nine Thousand (\$9,000/-) and the present agreement shall then thereafter be treated as voided and of no effect."

30

(iv) On 4.7.1963, the solicitor acting for the vendor was informed by the Ketua Pejabat Tanah, Kota Setar, Kedah, that her application for "the excision of agricultural condition of ~~ber~~ndang-kampong in order to develop the land for dwelling-houses for sale" in respect of the property could not be considered "as the Agricultural Department has raised objection."

40

(v) On 4.7.1963, the appellant was informed by the solicitor acting for the vendor that the vendor would like to treat the agreement as null and void, and that she had paid the sum of \$9,000.00 to be refunded to appellant as she was unable to obtain the necessary approval from Government to change the condition of tenure of the property.

(vi) After an exchange of a series of letters between solicitors acting for the appellant and for the vendor from 18th July to 4th August, 1964, a new agreement (hereinafter referred to as "the second agreement") was entered into between the appellant and the same vendor on 9.3.1966.

In the High Court in Malaya at Alor Star

No.4 Judgment 10th July 1976 (continued)

(vii) Clauses 4 and 5 of the second agreement reproduced word for word clauses 4 and 5 of the first agreement. Clauses 6 and 8 of the second agreement were as follows :

"6. The vendor shall within the said period of three (3) months take immediate steps to effect the removal of the four existing houses on the said land.

7. 10

8. In the event of such permission for change of condition of tenure of the said land being refused by the Government, or of its proving impossible to obtain the approval of the Town Council for erection of dwelling-houses and to effect the immediate removal of the existing houses on the said land, then the vendor shall be bound forthwith to refund to the purchaser the said sum of 20 Dollars Thirteen thousand three hundred and nine and Cents forty five (\$13,309.45) and the present agreement shall then thereafter be treated as voided and of no effect."

The differences in the wording between clauses 6 and 8 of the second agreement and the respective clauses of the first agreement are as underlined above.

(viii) After the execution of the second agreement the vendor did not transfer the property to the appellant. The appellant then sued the vendor in the Registry of the High Court at Alor Setar for specific performance of the second agreement during which period of litigation two civil suits were filed, viz. Civil Suit No.133 of 1966 and Civil Suit No.114 of 1968. 30

(ix) In compliance of the order of court dated 11.7.1971 in civil suit No.114 of 1968 the vendor executed a registrable transfer of title in the property to the appellant and he became the registered owner of the property on 10.8.1971. The appellant thus accepted the transfer of the property to himself without the vendor fulfilling any of the conditions under clauses 4, 5 and 6 of the second agreement. 40

(x) On 13.9.1971, the appellant himself applied

to the State Government for alteration of the condition of tenure of the property and on 18.2.1973, the Collector of Land Revenue, Kota Setar, notified the appellant of the approval of his application.

In the High Court in Malaya at Alor Star

No.4
Judgment
10th July 1976
(continued)

10 (xi) On 15.4.1973, the appellant entered into an agreement with a limited liability company by the name of Chai Hup & Sons Sendirian Berhad to sell the property for the sum of \$580,000.00 and the appellant was paid in shares equivalent in value to \$580,000.00 by the said company.

(xii) The appellant later transferred these shares worth \$580,000.00 in the said company to his wife and children as follows :-

Tan Siew Kia (wife) 290,000 shares at \$1 per share.

Teoh Kim Heoh (daughter) 58,000 shares at \$1 per share

20 Teoh Peng Seng (son) 58,000 shares at \$1 per share.

Teoh Kim Toon (son) 58,000 shares at \$1 per share.

Teoh Peng Cheng (son) 58,000 shares at \$1 per share.

Teoh Kim Choo (daughter) 58,000 shares at \$1 per share.

30 (xiii) The appellant also became a director of Chai Hup & Sons Sdn.Bhd. without any shareholding qualification under article 71 of the articles of association of the said company.

Let me first deal with the principle applicable to a single isolated transaction. In (1) E. v. Comptroller-General of Inland Revenue, Gill F.J. (as he then was) said :-

40 "Whilst a trade usually consists of a series of transactions implying some continuity and repetition of acts of buying and selling or manufacturing and selling.....the mere fact that there is only one transaction does not preclude the possibility that that transaction is in the nature of a trade....."

(1) (1970 2 M.L.J. 117, at p.122

In the High
Court in
Malaya at
Alor Star

No.4
Judgment
10th July 1976
(continued)

The test is as explained by Lord President
Clyde in Commissioners of Inland Revenue v.
Livingston and Others (2) :-

"I think the test, which must be used to
determine whether a venture.....is, or is
not 'in the nature of trade', is whether
the operations involved in it are of the
same kind, and carried on in the same way,
as those which are characteristic of
ordinary trading in the line of business
in which the venture was made. If they
are, I do not see why the venture should
not be regarded as 'in the nature of trade',
merely because it was a single venture
which took only three months to complete..."

10

From the numerous authorities cited, both
English and local, relating to an isolated
transaction in land, as in the present case, the
position may be classified as follows :-

(1) Where the intention of purchase or acquiring
land is for selling it at a profit whether in the
case of an individual or a company, and the sale
transaction was subsequently carried out at a
profit. In Eames v. Stepnell Properties Ltd. (3)
the acquisition of land was with the intention
and in the expectation of selling it to the local
authority at a profit. Again, in Californian
Copper Syndicate v. Harris (4) the company was
formed for the express purpose of acquiring
mining properties and sold the whole of its
assets about a year later. It was held that the
company had acquired the properties with the
object of reselling them. In upholding the
decision of the General Commissioners the Court
relied upon the smallness of the company's
capital available for developing the mines. It
was manifest from the facts that the company
never intended to work the mines itself but to
induce another party to purchase the mines so
that the company would make a profit in that way.

30

40

Similarly in E.'s case (supra), the
appellant having purchased jointly with others,
a rubber estate subsequently sold the estate to a
company one of whose objects was to develop lands
into housing estates, for a considerable profit.

(2) 11 T.C.538, at pp.542, 543
(3) (1967) 1 W.L.R. 593.
(4) 5 T.C. 159

The appellant became entitled to \$382,500/- for which he became entitled to shares of that value in the company. He was assessed to additional assessment in respect of the amount representing the excess of the value of the shares in the company to which he became entitled over the assets of his share in the purchase price of the land.

In the High Court in Malaya at Alor Star

No.4 Judgment

10th July 1976

(continued)

10 In all these three cases it was held that the transaction or trading was an adventure in the nature of trade.

(2) Where the property is purchased as an investment and the taxpayer has no initial intention of selling it for a profit.

20 In Taylor v. Good,⁽⁵⁾ the taxpayer purchased a house with grounds with a possibility that he and his family might live there but he later took steps to enhance its value by obtaining planning permission for development and subsequently sold it for development. It was held that his activities did not amount to an adventure or concern in the nature of trade assessable to income tax. The ratio decidendi in that case was the dealing in the land previously acquired was with no thought of dealing so that there was no question at all of its absorption with a trade. He was not a property developer and bought the land with no initial intention of selling it for a profit.

30 Similarly in Cooksey and Bibbey v. Redball,⁽⁶⁾ the appellants purchased a farm with the intention of occupying it for farming. Apart from subscribing part of the purchase money, the rest was raised by mortgage. Later they let the farm at a rental which was a good return on the investment. After making certain improvements on the land, they later sold it at a considerable profit. They had other activities which were admitted to be transactions in the nature of trade. However, as regards the sale of the farm the Court disagreed with the view of the General Commissioners and held that the sale transaction was not in the nature of trade and was therefore not assessable to income tax.

40 (3) Where the profits result from appreciation of the capital.

The case of Tebrau (Johore) Rubber Syndicate Ltd. v. Farmer ⁽⁷⁾ concerned a company formed with

(5) (1974) 1 W.L.R. 556

(6) 30 T.C. 514

(7) 5 T.C. 658

In the High
Court in
Malaya at
Alor Star

No.4
Judgment

10th July 1976
(continued)

the object of acquiring estates in the Malay Peninsular and developing them by planting and cultivating rubber trees. The memorandum of association provides power to sell the property as contemplated in the prospectus issued at the inception of the company. The company purchased two estates but as they did not have sufficient capital to develop them the whole of the undertaking was sold to a second company, mainly in shares of the latter company, in excess of the capital expended. At the date of the sale a considerable acreage had been planted but no rubber had yet been produced or sold. It was held that the profit on the sale was not a profit assessable to income tax, but was an appreciation of capital.

10

The basis of the decision seems to be that there is no difference in that case from that of a person who acquires property by way of investment and who realises it afterwards at a profit. The profit is not part of the person's annual income but results from an appreciation of his income.

20

Similarly in Leeming v. Jones⁽⁸⁾ where there was an organisation by the taxpayer with two others of purchasing two rubber estates with a speculation of maturing the property and disposing of it to a company to be formed for the purpose of obtaining a commission. It was held the transaction in question was not a concern in the nature of trade on the basis but it was a capital accretion and not taxable for the reason that it was not a source of income. It appears that a single profit cannot form the subject of assessment. (Per Lord Hanworth, M.R., p.353).

30

In Hudson's Bay Co.Ltd. v. Stevens,⁽⁹⁾ the company obtained a large territory by means of a Royal Charter which they subsequently surrendered to the Crown in exchange for a money payment and a share in certain lands. The lands were sold by the company from time to time to settlers and the proceeds were applied partly in payment of dividends and partly in reduction of capital. It was held to be selling its capital and not trading in the land; the proceeds of the sales were not profits or gains derived by the company for carrying on a trade in dealing in land and

40

(8) 15 T.C. 333
(9) 5 T.C. 424

were not assessable to income tax. Russell L.J. in Taylor v. Good (supra) at page 559 discussed Hudson's Bay's case (supra) "as no different in substance from the case of a landowner minded to sell, or sell from time to time, inherited land for building purposes at a profit; it was equivalent to dealing with land merely as owner; the fact that a landowner lays out part of his estate with roads and sewers for sale in building lots does not constitute a trade, nor the fact that he may have expended money in getting the property up for sale; it was no different.....in substance from an ordinary landowner who sells parts of an estate which he acquired by purchase....."

In the High Court in Malaya at Alor Star

No.4
Judgment
10th July 1976
(continued)

10

The above cases are dealt with as guidance in order to determine whether the Special Commissioners have applied the correct principles in the case under discussion.

20

Now, the findings of facts are for the Special Commissioners and the High Court considers appeals on questions of law. The Court will not disturb any finding of pure facts unless there is no evidence to justify the finding or where incorrect reasons of law prompt their conclusion of fact, and where the Commissioners have taken an erroneous view as to the nature and effect of a document, or have applied erroneous tests in arriving at their conclusion of fact or have otherwise misdirected themselves in law or drawn a wrong inference from the facts. (See Simon's Income Tax, 2nd Ed., Vol.1, p.280, and also Commissioners of Inland Revenue v. Fraser). (10)
The power of the Court to interfere with their conclusion, which is basically a conclusion of fact, is therefore limited. (Per Willmer L.J. in Eames v. Stepnell Properties Ltd., p.614, (supra)).

30

40

Mr. Lim Ewe Hock submitted that the Special Commissioners have not specified whether the gains or profits are from trade and adventure or concern in the nature of trade. With respect, I think they have done so at page 12, paragraph 11 of the Case Stated. They said :- ".....the sum of \$538,790.00..... was assessable to tax as it constituted income in respect of gains or profits from a business within the meaning of section 4(a) of the Income Tax Act, 1967". The sub-section classifies any income from gain or profit from a

(10) 24 T.C. 498, at p.501

In the High
Court in
Malaya at
Alor Star

No.4
Judgment
10th July 1976
(continued)

business for whatever period of time carried out, as being chargeable to income tax. The definition of "business" in section 2 of the Act includes an adventure or concern in the nature of trade. As "trade" is not defined, it should be used in its ordinary dictionary sense. The most appropriate meaning according to the Oxford Dictionary is "a pecuniary risk, a venture, a speculation, a commercial enterprise". (See Scott L.J. in Smith Barry v. Cordy.⁽¹¹⁾) In legal usage it should be given the widest scope. (See National Association of Local Government Officers v. Bolton Corporation).⁽¹²⁾

A number of grounds of the Special Commissioners were also attacked on the allegation of having arrived at wrong inferences on the facts particularly on the documentary evidence.. I do not propose to deal with them singly but will touch on them in the course of this judgment.

The appellant himself gave evidence before the Special Commissioners and exhibited numerous documents which appear to have been dealt with by the Commissioners. After careful study of the facts which were not disputed, the contention of the appellant and the respondent and the grounds and conclusion of the Special Commissioners appearing in the record, I form the opinion that the Special Commissioners proceeded in the right direction by treating the question of the intention of the appellant as ascertained by his subsequent conduct as being of paramount importance. According to the principle adopted in Rutledge v. Commissioners of Inland Revenue,⁽¹³⁾ Clyde L.P. says :-

".. .It has been said, not without justice, that mere intention is not enough to invest a transaction with the character of trade. But, on the question whether the appellant entered into an adventure or speculation, the circumstances of the purchase, and also the purchaser's object or intention in making it, do enter, and that directly, into the solution of the question."

The appellant's contention in the present case is that the transaction being an isolated one, his intention of purchasing the land was to

(11) 28 T.C.250, at p.258
(12) (1943) A.C. 166 at p.184
(13) 14 T.C. 490 at p.496

keep it for his old age, that he bought the property as an investment and that subsequently having realised the investment at a profit, it amounted only to a capital appreciation which would not be assessable to income tax. Further, on the facts there existed only an adventure but not an adventure in the nature of trade.

In the High Court in Malaya at Alor Star

No.4 Judgment

10th July 1976

(continued)

10 Now, the question whether a particular adventure is "in the nature of trade" or not must depend on its character and circumstances. If the purchase is made for no other purpose except for a resale at a profit, as in the case of the purchase of a large quantity of paper at a cheap price and selling it within a short time at a profit as in Rutledge's case (supra), there is no difficulty in concluding that the deal was in the nature of trade.

20 What is more important is the nature of the transaction with reference to the commodity dealt in. A purchaser may intend to sell the article he purchased at a profit yet it may not be the only purpose for he may not sell it if a favourable opportunity of sale does not arise. It is like the purchase of a picture with a view to sale but the purchaser kept it for aesthetic enjoyment having changed his mind but subsequently sold it at a profit. A man may purchase land with the intention of
30 selling it at a profit but continues to hold it and enjoy its income for sometime thus indicating a certain pride of possession. The subsequent sale at a profit as was held in Cooksey and Bibby v. Rednall (supra) was not a transaction in the nature of trade.

40 Each case of course depends on the facts and surrounding circumstances which have to be considered as a whole. I find that the Special Commissioners in coming to their conclusion have fully considered those facts and circumstances, adopted the correct test and principles and concluded by way of logical and reasonable inference that the isolated transaction was an adventure in the nature of trade. The full facts and exhibits were at their disposal and from there they took into consideration the circumstances of the purchase including the appellant's conduct which invariably led to
50 the only irresistible inference that his intention and object was to sell the land at a profit and not to keep it and enjoy the income for his old age. That in my considered judgment

In the High Court in Malaya at Alor Star

No.4 Judgment
10th July 1976
(continued)

is manifest from the very beginning from the three conditions at paragraphs 4, 5 and 6 of the two agreements entered into with the original owner, viz. for permission to alter the condition of tenure of the said land into that of dwelling houses, for asking approval from the Town Council to erect houses on the said land in numbers and specifications to be determined later and for taking immediate steps for the removal of the four houses standing on the said land. In spite of the failure by the then owner to fulfil any of these conditions, the appellant stuck on in purchasing the land by being prepared to forego the conditions and not exercising clause 8 of the agreement in treating it as null and void and claiming the refund of the deposit he had paid to the vendor. A series of correspondence between them through their solicitors ensued until the appellant filed a civil action for specific performance of the agreement. It seems the action was discontinued at his instance but by consent judgment the appellant was prepared to and paid a sum of nearly \$10,000/- over and above the agreed sum for the land to the vendor for transferring it to his name without any of the three conditions being fulfilled. Then he applied for the conversion himself and while waiting for the answer he got rid of the dwellers by paying monetary compensation to them. He also took steps to request for a valuation report from a chartered surveyor, C.H. Williams & Company through Lim Cheng Tat & Company well before the approval for conversion. The report and valuation show the property being surrounded by residential development of semi-detached and terraced houses, had a good potential value for similar development which would incur considerable expense. However, he had no funds to develop the land for erecting houses thereon as shown in the statement of accounts.

10
20
30
40

In the case of a company faced with a similar situation, Harman L.J. in Eames v. Stepnall Properties Ltd. (supra) says at page 619 :-

"...It appears to me to matter not at all that this company had been originally projected as an investment company, and that it has since acted as an investment company; it had no assets so to act at that time, its capital being £2....."

50

About two months after his application for

conversion of the land was approved, the appellant sold the said land by entering into a sale agreement with the newly formed company stated above for \$580,000/-, i.e. with a large amount of profit. However, he agreed to be paid in shares of the company and transferred all the shares to his wife and children with himself becoming a director without any shareholding according to Article 71 of the company's memorandum of association.

In the High Court in Malaya at Alor Star

No.4 Judgment

10th July 1976

(continued)

From the above, it is manifest that the appellant's initial intention to sell the property at a profit never changed. As rightly said by the Special Commissioners, he doggedly carried out the plan till he succeeded. Although it is true he took a risk in getting the approval for conversion, for at the time of application he could never be sure of getting approval in the light of the previous rejection by the authorities, yet he took the chance and by a stroke of luck obtained the approval. It is true in his evidence he said his intention was to develop the land in the future. Can it be safely said that he purchased the land as an investment? In Eames v. Stepnell Properties Ltd. (supra), Buckley J. said at page 609 :-

"....I cannot myself accept the view that the purchase of property which is on the verge of being sold can be properly regarded as an investment, for one element at least of investment must be that the acquirer of the investment intends to hold it, at any rate for some time, with a view to obtaining either some benefit in the way of income in the meantime, or obtaining some profit, but not an immediate profit by resale....."

But he did not carry out any development nor keep the land and enjoy the benefit of the rents or produce. Further, he did nothing to improve the land as in Tebrau's case (supra) after obtaining a conversion which through governmental development changed the status of the land into a high potential value. What he actually did was an immediate sale and with a big profit. He bought an agricultural land and sold a development land.

This case must be distinguished from Taylor v. Good (supra) in which the taxpayer bought land, without the initial intention of selling it at a

In the High Court in Malaya at Alor Star

No.4 Judgment

10th July 1976 (continued)

profit but of staying there with his wife and family. It is more in line with the Californian Copper Syndicate's case (supra) in which the company's capital was too small for development purpose and its object was to resell the property at a profit.

In support of the appellant's contention that he purchased the land as an investment which by subsequent sale at a profit amounted to a capital appreciation, it was submitted that the Special Commissioners did not take into consideration the statement of account (Folio A55) which shows the land in question and the profit of its sale placed under fixed assets. Suffice it for me to quote Pollock M.R. in Thew v. The South West Africa Co.Ltd. (14) 10

"The question that we have to determine is whether the moneys derived from those sales of land fall into income or are to be treated as capital of the CompanyWe have had our attention called to a number of documents relating to the dealings of the Company with the German Government, a prospectus on which it asked for further capital which it was to raise by the sale of shares, and a number of other documents. I agree that those are really indeterminate and do not yield a guiding line on the relevant points in the case.....The fact that they sold the land does not give any guidance at all. The fact that they had from time to time put the money to a separate account.... does not determine the matter, for we have to decide upon the substance of the case and not upon what any individual company may deem the particular item in the course of its trading." 20 30

I do not consider it necessary to discuss at length the four conditions laid down in Leeming v. Jones (supra), one of which must be present to establish the existence of an adventure in the nature of trade. Gill F.J. (as he then was) in E.'s case considered a single transaction of purchase and sale of land as distinct from the purchase and sale of whisky in Commissioners of Inland Revenue v. Fraser (supra). Be that as it may, the Special Commissioners found all of the conditions present in this case. On my part, if I do not entirely agree with them, I think at least two of the conditions are present, viz. activities which 40 50

led to the maturing of the asset to be sold and the fact that the nature of the asset should land itself to commercial transactions. On the first point, the appellant's activities in paying compensation to get rid of the occupants of the four houses on the land, his request for valuation and his successful application for conversion for building purposes are sufficient activities to lead to the maturing of the asset to be sold, although he did nothing on his own to improve the land. Secondly, the nature of the land itself being near the town and surrounded by a newly developed housing area should land itself to commercial transactions even without conversion for otherwise the appellant would not have stuck to his bargain to the extent of taking legal proceeding which ended in him paying a larger sum to the vendor to own the land himself in spite of the conditions for its improvement not having been fulfilled.

In the High Court in Malaya at Alor Star

No.4 Judgment

10th July 1976

(continued)

In the circumstances I cannot regard the transaction as an investment and/or the profit from the sale to amount to a capital appreciation. It seems to me that the only conclusion on the facts as found by the Special Commissioners is that the appellant acquired the land with the expectation and intention of selling it at a profit and that was an adventure in the nature of trade.

With regard to the action of the appellant in transferring the shares of Chai Hup & Company to his wife and children and he becoming a director of the Company without any shareholding, I do not consider that the case of Williams v. Davies (15) is in point. There is a subtle distinction as in that case the husband through a well-planned scheme made a gift of the lands purchased to his wife who in turn sold them at a profit. The wife was held to be the beneficial owner of the properties in question and did not hold them as nominee or trustee for her husband. In the present case the appellant having purchased and sold the land at a profit in his name transferred the profit in the form of shares to his wife and children. To my mind, if it was a scheme to avoid assessment of income tax, it was not so well planned as the case stated above.

In the result, I would dismiss the appeal with costs and confirm the decision of the Special Commissioners.

(15) 26 T.C. 371.

In the High
Court in
Malaya at
Alor Star

No.4
Judgment
10th July 1976
(continued)

(Sgd) SYED AGIL BARAKBAH
(DATO' SYED AGIL BARAKBAH)
JUDGE,
HIGH COURT, MALAYA

Alor Star,
10th July, 1976

Mr. Lim Ewe Hock for Appellant.
Encil Abdul Rashid (Sr.F.C.) for Respondent.

Certified true copy
(Sgd: (D.C.HASLAM)
(D.C.HASLAM) 10
SECRETARY TO JUDGE.
24.7.76

No.5
Order
10th July 1976

No. 5
ORDER - 10th July
1976

IN THE HIGH COURT IN MALAYA AT ALOR STAR
ORIGINATING MOTION NO.22 OF 1975

Between

Teoh Chai Siok Appellant 20

And

Director General of Inland Revenue
Respondent

BEFORE THE HONOURABLE MR. JUSTICE SYED AGIL
BARAKBAH JUDGE, MALAYA

THIS 10TH DAY OF JULY, 1976 IN OPEN COURT

O R D E R

WHEREAS pursuant to paragraph 34 of
Schedule 5 of the Income Tax Act, 1967, a case
had been stated at the request of the Appellant 30
by the Special Commissioners of Income Tax
for the opinion of this Court.

AND WHEREAS the said motion came on to be heard on the 21st day of April, 1976:

In the High Court in Malaya at Alor Star

AND UPON READING the same and UPON HEARING Mr. Lim Ewe Hock of Counsel for the Appellant and Encik Abdul Rashid bin Abdul Manaf, Federal Counsel for the Respondent IT WAS ORDERED that this motion do stand adjourned for judgment AND the same coming on for judgment this 10th day of July, 1976:

No.5
Order
10th July 1976
(continued)

10 THIS COURT IS OF OPINION that the determination of the said Special Commissioners of Income Tax is correct AND IT IS ALSO ORDERED that the Appeal be and is hereby dismissed and the Deciding Order of the Special Commissioners of Income Tax dated the 30th day of September, 1975 be and is hereby confirmed:

20 AND IT IS LASTLY ORDERED that the costs of the Respondent be taxed by the proper officer of the Court and be paid by the Appellant to the Respondent.

Given under my hand and the Seal of the Court this 10th day of July 1976.

L.S. Sd.

SENIOR ASSISTANT REGISTRAR
HIGH COURT, ALOR STAR

In the Federal
Court of
Malaysia
(Appellate
Jurisdiction)

No.6
Notice of
Appeal
23rd July 1976

No. 6

NOTICE OF APPEAL
23rd July 1976

IN THE FEDERAL COURT OF MALAYSIA
(APPELLAT JURISDICTION)

CIVIL APPEAL NO. 109 OF 1976

Between

Teoh Chai Siok

Appellant

And

Director General of Inland Revenue

Respondent

10

In the matter of CASE STATED by the Special
Commissioners of Income Tax for the opinion
of the High Court pursuant to paragraph 34
of Schedule 5 to the Income Tax Act 1967
(In the matter of Alor Star High Court
Originating Motion No.22 of 1975)

Between

Teoh Chai Siok

Appellant

And

Director General of Inland Revenue

Respondent

20

NOTICE OF APPEAL

TAKE NOTICE that Teoh Chai Siok the
Appellant herein being dissatisfied with the
decision of the Honourable Mr. Justice Syed Agil
Barakbah given at the High Court at Alor Star
on the 10th day of July, 1976 appeals to the
Federal Court against the whole of the said
decision.

Dated this 23rd day of July, 1976

Sd. Lim Ewe Hock
Solicitor for the Appellant

30

To: The Registrar,
Federal Court of Malaysia,
Kuala Lumpur

And to :-

The Assistant Registrar
High Court,
Alor Setar

In the Federal
Court of
Malaysia
(Appellate
Jurisdiction)

And to :-

Director General of Inland Revenue
c/o The Senior Federal Counsel
Inland Revenue Department
Kuala Lumpur.

No.6
Notice of
Appeal
23rd July 1976
(continued)

10 The Address for service of the Appellant
is at the office of his Solicitor, Mr. Lim Ewe
Hock of No.13, Church Street (Top Floor) Penang.

Received this 28th day of July, 1976.

Deposit of \$500.00 lodged in Court this
28th day of July, 1976.

(L.S.) Sd.

Senior Assistant Registrar,
High Court,
Alor Setar.

20

No. 7

MEMORANDUM OF APPEAL
4th September 1976

No.7
Memorandum
of Appeal
4th September
1976

Between

Teoh Chai Siok

Appellant

And

Director General of Inland Revenue

Respondent

30

In the matter of CASE STATED by the Special
Commissioners of Income Tax for the opinion
of the High Court pursuant to paragraph 34 of
Schedule 5 to the Income Tax Act 1967
(In the matter of Alor Star High Court
Originating Motion No.22 of 1975)

Between

Teoh Chai Siok

Appellant

In the Federal
Court of
Malaysia
(Appellate
Jurisdiction)

No.7
Memorandum
of Appeal
4th September
1976
(continued)

And

Director General of Inland Revenue Respondent

MEMORANDUM OF APPEAL

Teoh Chai Siok, the Appellant above-named appeals to the Federal Court against the whole of the decision of the Honourable Mr. Justice Syed Agil Barakbah given at Alor Star on the 10th day of July, 1976 on the following ground :

1. That the learned Trial Judge was wrong in holding that the solitary transaction of selling the land was an adventure in the nature of trade. 10

Dated this 4th day of September, 1976.

Sgd: Lim Ewe Hock
Appellant's Solicitor

To:-

The Registrar,
Federal Court of Malaysia,
Kuala Lumpur. 20

And to :-

The Assistant Registrar,
High Court,
Alor Setar.

And to :-

Director General of Inland Revenue,
c/o The Senior Federal Counsel,
Inland Revenue Department,
Kuala Lumpur.

The Address for service of the Appellant is at the office of his Solicitor, Mr. Lim Ewe Hock of No.13, Church Street (Top Floor), Penang. 30

No. 8
JUDGMENT OF GILL, CHIEF
JUSTICE - 25th June 1977

In the Federal
Court of
Malaysia
(Appellate
Jurisdiction)

IN THE FEDERAL COURT OF MALAYSIA HOLDEN AT
ALOR STAR
(APPELLATE JURISDICTION)

No.8
Judgment of
Gill, Chief
Justice
25th June
1977

FEDERAL COURT CIVIL APPEAL NO.109 OF 1976

Between

Teoh Chai Siok

Appellant

10

And

Director General of Inland Revenue Respondent

In the matter of CASE STATED by the
Special Commissioners of Income Tax
for the opinion of the High Court
pursuant to paragraph 34 of Schedule 5
to the Income Tax Act 1967
(In the matter of Alor Star High Court
Originating Motion No.22 of 1975)

Between

20

Teoh Chai Siok

Appellant

And

Director General of Inland Revenue Respondent

Coram: Gill, Chief Justice, Malaya,
Ong Hock Sim, Judge, Federal Court,
Raja Azlan Shah, Judge, Federal Court

JUDGMENT OF GILL, CHIEF JUSTICE

30

The question to be decided in this appeal
is whether the purchase and sale by the appellant
of land held under Surat Putus Kechik No.14750
in the Mukim of Alor Malai in the District of
Alor Setar in the State of Kedah was an adventure
or concern in the nature of trade so as to
render the gain or profit of \$538,790/-, which
he made from such sale, liable to income tax
under section 4(a) of the Income Tax Act 1967.

40

The Director General of Income Revenue,
the respondent to this appeal, answered the
question in the affirmative when he included the
said sum of \$538,790/- under trade income in the
assessment of the appellant's income tax for the
year of assessment 1974 as per Notice of Additional
assessment dated 18th January 1975. The Special
Commissioners for Income Tax gave the same answer
when they dismissed the appellant's appeal against
such assessment, and Syed Agil J. did likewise of
the dismissing the appeal from the decision of the
Special Commissioners by way of case stated to the
High Court. The appellant has now brought this
further appeal to this Court.

In the Federal
Court of
Malaysia
(Appellate
Jurisdiction)

No.8
Judgment of
Gill, Chief
Justice

25th June
1977

(continued)

The primary facts as found by the Special Commissioners are not in dispute. The appellant, who carries on business as a sundry shopkeeper as well as a licensed moneylender in Alor Setar, agreed to purchase the land in question from one Madam Soh Tuan (hereinafter referred to as "the Vendor") by a written agreement dated 3rd September 1961 (hereinafter referred to as "the first agreement"). The agreed purchase price was \$31,500/- of which a sum of \$9,000/- was paid upon execution of the agreement and the balance was to be paid within eight months. Under clauses 4, 5 and 6 of the agreement, the Vendor undertook (a) to obtain Government permission for alteration of the condition in the land title from that for agricultural purposes to one for the exclusive purpose of erecting dwelling houses, (b) to apply to the Town Council for approval to erect houses on the land and (c) to take steps within eight months to effect the removal of the four existing houses on the property. Clause 8 of the agreement provided that in the event of her being unable to comply with the above undertakings, the Vendor was to refund to the appellant the deposit of \$9,000/- and the agreement was to be treated as void and of no effect.

The Vendor was unable to fulfill any of her undertakings within the stipulated period. On 4th July 1963 her solicitor informed the appellant that as she was unable to obtain the necessary approval from Government to change the condition of tenure of the property she would like to treat the agreement as null and void and refund the deposit of \$9,000/- to him. The appellant took no steps to treat the agreement as void and to take back his deposit. After an exchange of a series of letters between the solicitors for the parties from 18th July to 4th August 1964, a new agreement was entered into between them on 9th March 1966 (hereinafter referred to as "the second agreement").

The purchase price under the second agreement was the same as under the first agreement but a sum of \$13,309.05 was paid in part payment of the purchase price, and the balance of \$18,190.55 was to be paid within three months. Clauses 4 and 5 of the second agreement reproduced word for word clauses 4 and 5 of the first agreement. In clause 6 of the second agreement the period for removal of the existing houses was

stipulated as three months. Clause 8 of the second agreement was similar to that of clause 8 of the first agreement.

In the Federal Court of Malaysia (Appellate Jurisdiction)

No.8
Judgment of Gill, Chief Justice

25th June 1977

(continued)

10 The Vendor was again unable to fulfill the conditions in the second agreement. Nevertheless, the appellant sued the Vendor in the High Court at Alor Setar for its specific performance. He filed two civil suits, being Civil Suit No.133 of 1966 and Civil Suit
10 No.114 of 1968. In compliance with an order made in Civil Suit No. 114 of 1968 on 11th July 1971 the Vendor executed a registrable transfer of the land in favour of the appellant who became the registered owner of the property on 10th August 1971.

20 On 13th September 1971 the appellant himself applied to the State Government for alteration of the condition of the tenure of the property. On 18th February 1973 he was informed by the Collector of Land Revenue Kota Setar that his application had been approved. On 15th April 1973 he entered into an agreement for the sale of the property to a limited liability company by the name of Chai Hup & Sons Sendirian Berhad for the sum of \$580,000/- which was paid by the Company in shares equivalent in value to that sum. The appellant later
30 transferred those shares to his wife and children, and he himself became a director of the company without any shareholding qualification under Article 71 of the Articles of Association of the Company.

40 I would pause here to observe that on the Vendor being unable to fulfil her undertakings under both agreements the appellant did not choose to treat the agreements as null and void. He sued for specific performance of the second agreement and accepted a transfer of the property to himself notwithstanding the non-fulfilment of those undertakings.

50 At the hearing of the appeal before the Special Commissioners it was contended on behalf of the appellant that his intention was to purchase the property and keep it for his old age and for his family. It was emphasised that his intention when he entered into the first agreement was very relevant. It was further submitted that, assuming that the appellant bought the property as an investment and later realised such investment, the profit which he made was capital appreciation and therefore not

In the Federal
Court of
Malaysia
(Appellate
Jurisdiction)

No.8
Judgment of
Gill, Chief
Justice

25th June
1977

(continued)

assessable to income tax. Alternatively, it was submitted that assuming that the appellant had purchased the property with a view to resale it would be assessable to income tax only if he had done something to the property before selling it. It was lastly submitted that on the facts there existed only an adventure but not an adventure in the nature of trade.

The contentions on behalf of the respondent were as follows. Intention to make a profit, though immaterial, was very relevant in deciding whether it was an adventure in the nature of trade or otherwise. The appellant would have sold the property in 1963 if the vendor had been successful in obtaining the alteration in the tenure of her property. The fact that it was an isolated transaction did not preclude the possibility of the transaction being an adventure in the nature of trade. On consideration of the factual evidence, the documents produced and the conduct of the appellant there were sufficient grounds for the Special Commissioners to come to a decision that there was an adventure in the nature of trade. The sale of the property to Chai Hup & Sons Sendirian Berhad was therefore an adventure or concern in the nature of trade within the meaning of section 4(a) of the Income Tax Act 1967 read with the definition of "business" under section 2 of the Act.

After giving due consideration to the evidence adduced before them and in the light of the submissions made on behalf of the parties, the Special Commissioners arrived at the decision that the profit which the appellant made on sale of the property was assessable to tax as it constituted income in respect of gains or profits from an adventure in the nature of trade within the meaning of section 4(a) of the Income Tax Act 1967. In arriving at their decision what was paramount in their minds was the intention of the appellant when he entered into the two agreements of sale, which could of course only be ascertained from his conduct subsequent to 3rd September 1961.

As regards the surrounding circumstances, what the Special Commissioners said in the case stated may be summarised as follows. The land was padi land about 1½ miles from the centre of the town of Alor Setar. The appellant admitted in evidence that he wanted

10 to buy the sort of land which could be used
for housing development. That was the reason
he gave for the inclusion of clauses 4, 5 and
6 in the first agreement. That was also the
reason why he paid three times the value of the
land as padi land. When the Vendor was unable
to fulfil the conditions under these clauses
of the agreement, the appellant did not treat
the agreement as null and void. He was not
willing to accept a refund of the deposit but
was prepared to complete the purchase. In fact
he instructed his solicitors to say that he
was prepared to wait for a further period to
enable the Government to consider or reconsider
the Vendor's application for the change of
condition in the tenure of the land. He was
even ready to make such application himself.
The second agreement contained the same condi-
20 tions as the first agreement. Five weeks after
he became the registered owner he himself
applied to the State Government for alteration
in the condition of the tenure of the property.
Before he became the registerd owner he paid
monetary compensation to the occupiers of the
four houses on the land.

30 Perhaps it might be useful to reproduce
what the Special Commissioners have said in
the case stated as regards their conclusion
from the evidence before them. This is what
they said :

40 " After hearing the appellant and
observing his demeanour when giving
evidence we were convinced that the
appellant had no doubt at all in his
mind that the property had great develop-
ment potential from as early as 30th
September, 1961, and that it was not his
intention to purchase the property and
keep it for his old age and in the mean-
time collect whatever rents or other forms
of income from the property until he had
enough funds of his own to develop it.

50 On the above facts as set out and the
surrounding circumstances we come to the
conclusions that the appellant was very
keen to buy the property and re-sell it
as soon as he could at a great profit
right from the year 1961, and that he
pursued doggedly on with his intention
to develop the property by erecting houses
on it until it culminated in the order of
the High Court at Alor Setar directing the

In the Federal
Court of
Malaysia
(Appellate
Jurisdiction)

No.8
Judgment of
Gill, Chief
Justice

25th June
1977

(continued)

In the Federal
Court of
Malaysia
(Appellate
Jurisdiction)

No.8
Judgment of
Gill, Chief
Justice

25th June
1977

(continued)

vendor to transfer the property to himself.

We were on the evidence also convinced that the appellant took accelerated steps towards that development after he was successful in his application for alteration of the condition of tenure for by that date the whole of the property consisted, according to the report of Messrs. C.H. Williams & Co. (Sdn.) of a 'long strip of vacant land surrounded by residential development of semi-detached and terrace houses.'

10

We were also convinced, on the whole of the evidence, that if the vendor had succeeded in her application for change of condition of tenure in 1963 the appellant would have made the same moves in 1963 as he did in 1973 to immediately develop the property and realise a substantial profit."

20

It was contended on behalf of the appellant before the Special Commissioners that the sale of the property by the appellant was an isolated transaction and that not even one of the four conditions approved in Leeming v. Jones (1) as to the existence of an adventure in trade had been established. The Commissioners rejected this contention on the ground that the only reasonable conclusion they could arrive at was that this isolated transaction was an adventure or concern in the nature of trade.

30

As regards the appeal from the Special Commissioners to the High Court, the Learned Judge first dealt with the fundamental principle, which is the crux of the matter in this appeal, that a single isolated transaction can properly be regarded as an adventure in the nature of trade where land is purchased with the intention of selling it at a profit, but not where the property is purchased as an investment and the taxpayer has no initial intention of selling it for a profit. In this connection he considered a number of decided cases to some of which I shall refer later in my judgment.

40

He next proceeded on the basis that the Court will not disturb any finding of pure

(1) (1928-1931) 15 T.C. 333

facts unless there is no evidence to justify the findings of where incorrect reasons of law prompted their conclusion of fact, and where the Commissioners have taken an erroneous view as to the nature and effect of a document, or have applied erroneous tests in arriving at their conclusion or have otherwise misdirected themselves in law or drawn a wrong inference from the facts.

In the Federal
Court of
Malaysia
(Appellate
Jurisdiction)

No.8
Judgment of
Gill, Chief
Justice

25th June 1977

(continued)

10 After a careful study of the facts which were not disputed, the contentions of the appellant and the respondent and the grounds and conclusions of the Special Commissioners appearing in the record, the learned Judge formed the opinion that the Special Commissioners proceeded in the right direction by treating the question of intention of the appellant as ascertained by his subsequent conduct as being of paramount importance.

20 As the learned Judge has stated in his judgment, each case of course depends on its facts and the surrounding circumstances which have to be considered as a whole. As regards the facts and the surrounding circumstances of this case he expressed his opinion as follows :-

30 " I find that the Special Commissioners in coming to their conclusion have fully considered those facts and circumstances, adopted the correct test and principles, and concluded by way of logical and reasonable inference that the isolated transaction was an adventure in the nature of trade. The full facts and exhibits were at their disposal and from there they took into consideration the circumstances of the purchase including the appellant's conduct which invariably led to the only irresistible inference
40 that his intention and object was to sell the land at a profit and not to keep it and enjoy the income for his old age."

He then stated that it was manifest that the appellant's intention to sell the property at a profit never changed.

The conclusion at which he arrived and on the basis of which he dismissed the appeal is stated in his judgment as follows :-

In the Federal
Court of
Malaysia
(Appellate
Jurisdiction)

No.8
Judgment of
Gill, Chief
Justice
25th June 1977
(continued)

" In the circumstances I cannot regard the transaction as an investment and/or the profit from the sale to amount to a capital appreciation. It seems to me that the only conclusion on the facts as found by the Special Commissioners is that the appellant acquired the land with the expectation and intention of selling it at a profit and that was an adventure in the nature of trade."

10

The sole ground on which the appeal has been brought to this Court is that the Learned Judge was wrong in holding that the solitary transaction of selling the land was an adventure in the nature of trade. Counsel for the appellant handed in a lengthy written submission containing passages from decided cases which, in his opinion, are relevant to this appeal. His main submission, however, is that in arriving at their decision that the transaction was an adventure in the nature of trade, the Special Commissioners and the learned Judge misdirected themselves in law by concerning themselves exclusively with the question as to what the intention of the appellant was at the time he entered into the agreement for sale, and in failing to consider whether the solitary transaction, if it was an adventure, was an adventure in the nature of trade.

20

30

Taking the second point first, there is ample authority for the proposition, which I stated in E v. Comptroller-General of Inland Revenue (2), that whilst a trade usually consists of a series of transaction implying some continuity and repetition of acts of buying and selling or manufacturing and selling, the mere fact that there is only one transaction does not preclude the possibility that that transaction is in the nature of trade.

40

It is contended on behalf of the appellant that none of the four conditions laid down in Leeming v. Jones (1) was present in this case. The Special Commissioners thought that they were present, but the learned Judge took the view that only two of those conditions were present. The appellant in this case was a shopkeeper. He was carrying on trade in sundry goods. It was, therefore, not necessary

50

(2) (1970) 2 M.L.J. 117, 122

10 for him to set up a separate organisation for the purpose of trading in land. There is certainly evidence of activities which led to the maturing of the assets to be sold, and the nature of the asset lent itself to commercial transactions. The appellant took steps to effect removal of the four houses on the land. He had the land valued and he made a successful application for conversion of the land from agricultural land to land for building purposes. The land was surrounded by a newly developed housing area so as to lend itself to commercial transactions. In any event, the question here is not whether the appellant's isolated speculation was a trade, but whether it was an adventure in the nature of trade.

In the Federal Court of Malaysia (Appellate Jurisdiction)

No.8
Judgment of Gill, Chief Justice

25th June 1977

(continued)

20 In Commissioners of Inland Revenue v. Livingston and Others (3), Lord President Clyde said :-

30 " I think the test, which must be used to determine whether a venture such as we are now considering is, or is not, 'in the nature of trade', is whether the operations involved in it are of the same kind, and carried on in the same way, as those which are characteristic of ordinary trading in the line of business in which the venture was made. If they are, I do not see why the venture should not be regarded as 'in the nature of trade', merely because it was a single venture which took only three months to complete."

40 I think the point is very well illustrated by the facts in such cases as California Copper Syndicate v. Morris (4) and Eames v. Stepnell Properties Ltd. (5). Perhaps I should add that the facts here are not very different from the facts of E. v. Comptroller-General of Inland Revenue (2) in which this Court held that the transaction there at issue was an adventure in the nature of trade.

As regards the question of intention, in Rutledge v. The Commissioners of Inland Revenue (6) Lord Prdsident Clyde had this to say :

(3) 11 T.C.538, 542
(4) 5 T.C. 159
(6) 14 T.C. 490, 496

In the Federal
Court of
Malaysia
(Appellate
Jurisdiction)

No.8
Judgment of
Gill, Chief
Justice

25th June
1977

(continued)

" It has been said, not without justice, that mere intention is not enough to invest a transaction with the character of trade. But, on the question whether the Appellant entered into an adventure or speculation, the circumstances of the purchase, and also the purchaser's object or intention in making it, do enter, and that directly, into the solution of the question."

10

To use the words of the Learned Lord President further down in his judgment in the same case, it is no doubt true that the question whether a particular adventure is in the nature of trade or not must depend on its character and circumstances, but if, as in the present case, the purchase is made for no purpose except that of resale at a profit, there seems little difficulty in arriving at the conclusion that the deal was in the nature of trade, though it may be wholly insufficient to constitute by itself a trade.

20

In my judgment, both the Special Commissioners and the learned Judge were quite right in holding that the only reasonable inference from the facts and the surrounding circumstances of the case was that the acquisition by the appellant of this piece of land and its sale not long afterwards was an adventure in the nature of trade. I would therefore dismiss the appeal with costs.

30

KUALA LUMPUR,
25th June 1977

S.S. GILL
CHIEF JUSTICE

Tan Sri Ong Hock Sim and Tan Sri Raja Azlan Shah, Federal Judges concurred.

Mr. Lim Ewe Hock for Appellant
Solicitors: Messrs. Lim Ewe Hock

Encik Abdul Rashid (Sr. Federal Counsel) for Respondent

No. 9
ORDER - 25th
June 1977

In the Federal
Court of
Malaysia
(Appellate
Jurisdiction)

IN THE FEDERAL COURT OF MALAYSIA HOLDEN AT
ALOR STAR (APPELLATE JURISDICTION)
FEDERAL COURT CIVIL APPEAL NO. 109 OF 1976

No.9
Order
25th June 1977

Between

Teoh Chai Siok Appellant

And

10 Director General of Inland Revenue Respondent

In the matter of CASE STATED by the
Special Commissioners of Income Tax
for the opinion of the High Court
pursuant to paragraph 34 of Schedule 5
to the Income Tax Act 1967
(In the matter of Alor Star High Court
Originating Motion No.22 of 1975)

Between

Teoh Chai Siok Appellant

20

And

Director General of Inland
Revenue Respondent

CORAM: GILL, CHIEF JUSTICE, HIGH COURT IN MALAY
ONG HOCK SIM, JUDGE, FEDERAL COURT,
MALAYSIA
RAJA AZLAN SHAH, JUDGE, FEDERAL COURT,
MALAYSIA

IN OPEN COURT

THIS 25TH DAY OF JUNE, 1977

30

O R D E R

40

THIS APPEAL coming on for hearing on the
25th day of April, 1977 in the presence of
Encik Lim Ewe Hock of Counsel for the Appellant
and Encik Abdul Rashid bin Abdul Manaf, Senior
Federal Counsel for the Respondent AND UPON
READING the Record of Appeal herein AND UPON
HEARING the submission of Counsel as aforesaid
IT WAS ORDERED that this Appeal do stand adjourned
for Judgment AND the same coming on for Judgment
this day in the presence of Miss R. Kumarasamy

In the Federal
Court of
Malaysia
(Appellate
Jurisdiction)

No.9
Order
25th June 1977
(continued)

mentioning on behalf of Mr. Lim Ewe Hock
of Counsel for the Appellant and Encik Abdul
Rashid bin Abdul Manaf Senior Federal Counsel
for the Respondent IT IS ORDERED that this
appeal be and is hereby dismissed AND IT IS
FURTHER ORDERED that the Appellant do pay to
the Respondent the costs of this Appeal to be
taxed by the proper officer of the Court
AND IT IS LASTLY ORDERED that the sum of
\$500.00 (Ringgit Five Hundred only) paid into
Court by the Appellant as security for costs
of the Appeal be paid out to the Respondent
towards taxed costs.

10

GIVEN under my hand and the Seal of
the Court this 25th day of June, 1977.

(L.S.) Sgd: Illegible
CHIEF REGISTRAR,
FEDERAL COURT, MALAYSIA

No.10
Order granting
Final Lease to
Appeal to His
Majesty the
Yang Dipertuan
Agong
3rd April 1978

No.10

ORDER GRANTING FINAL LEAVE
TO APPEAL TO HIS MAJESTY
THE YANG DIPERTUAN AGONG
3rd April 1978

20

IN THE FEDERAL COURT OF MALAYSIA HOLDEN AT
PENANG

(APPELLATE JURISDICTION)

FEDERAL COURT CIVIL APPEAL NO.109 OF 1976

Between

Teoh Chai Siok

Appellant

And

Director General of Inland Revenue

Respondent

30

In the matter of CASE STATED by the
Special Commissioners of Income Tax
for the opinion of the High Court
pursuant to paragraph 34 of Schedule 5
to the Income Tax Act 1967
(In the matter of Alor Star High Court
Originating Motion No.22 of 1975)

Between

Teoh Chai Siok

Appellant

40

And

Director General of Inland
Revenue

Respondent

In the Federal
Court of
Malaysia
(Appellate
Jurisdiction)

CORAM: GILL, CHIEF JUSTICE, HIGH COURT,
MALAYA:
ONG HOCK SIM, JUDGE, FEDERAL COURT,
MALAYSIA
CHANG MIN TAT, JUDGE, FEDERAL COURT,
MALAYSIA

No.10
Order granting
Final Leave to
Appeal to His
Majesty the
Yang Dipertuan
Agong

10

IN OPEN COURT

THIS 3RD DAY OF APRIL, 1978

3rd April 1978
(continued)

O R D E R

UPON MOTION made unto Court this day by
Encik Lim Ewe Hock of Counsel for the Appellant
abovenamed in the presence of Encik Tee Ah Sing
Federal Counsel on behalf of the Respondent
abovenamed AND UPON READING the Notice of
Motion dated 6th day of March, 1978 the
Affidavit of Encik Lim Ewe Hock affirmed on
the 28th February, 1978 and filed herein,
AND UPON HEARING Counsel as aforesaid IT IS
ORDERED that Final Leave be and is hereby
granted to the Appellant to Appeal from this
Honourable Court to His Majesty the Yang
Dipertuan Agung from the decision of this Court
given at Kuala Lumpur on the 25th day of June,
1977 AND IT IS ORDERED that the costs of and
incidental to this Motion be costs in the cause.

20

30

GIVEN under my hand and the Seal of the
Court this 3rd day of April, 1978.

Sgd. Illegible
CHIEF REGISTRAR,
FEDERAL COURT,
MALAYSIA.

EXHIBITS

A1
Agreement
between Madam
Soh Tuan and
taxpayer

3rd September
1961

EXHIBITS

A1
AGREEMENT BETWEEN MADAM SOH
TUAN AND TAXPAYER - 3rd
September 1961

AN AGREEMENT made and executed at Alor Star this 3rd day of September in the year One thousand nine hundred and sixty one between Madam Soh Tuan, I/C No.K.006805 of Batu 2, Jalan Langgar, Alor Star, Kedah (hereinafter called the Vendor) of the one part, and Teoh Chai Siok, I/C No.K.402180 (AS) of No.53, Jalan Tunku Ibrahim, Alor Star, Kedah (hereinafter called the Purchaser) of the other part 10

WHEREAS the Vendor is the registered owner of the bendang land comprised in Surat Putus Kechik No.14750, Mukim Alor Malai, Kota Star District, Kedah, in area 7 relongs 266 jembas.

AND WHEREAS the Vendor agrees to sell the said land and the Purchaser agrees to buy the said land at the price of Thirty One Thousand and Five Hundred Dollars (\$31,500/-) only upon the terms and conditions hereinafter set out. 20

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS :-

1. The Vendor agrees to sell and the Purchaser agrees to buy the said land comprised in Surat Putus Kechik No.14750, Mukim Alor Malai, Kota Star District, Kedah, in area 7 relongs 266 jembas at the price of Dollars Thirty One Thousand and five hundred (\$31,500/-) only. 30

2. Upon execution of these presents the Purchaser paid to the Vendor the sum of Dollars Nine thousand (\$9,000/-) only (receipt whereof the Vendor by her signature hereto hereby acknowledges) in part payment of the purchase price of the said land.

3. The Purchaser agrees to settle the balance of Dollars Twenty Two thousand and five hundred (\$22,500/-) only within eight (8) months from the date hereof. 40

4. It shall be a condition of the sale that the Vendor shall apply for and obtain Government permission for alteration of the condition of tenure of the said land so that the said land may be used for the exclusive purpose of erecting dwelling-houses thereon.

EXHIBITS

A1
Agreement
between Madam
Soh Tuan and
taxpayer

3rd September
1961

(continued)

10 5. After the Government permission shall have been obtained alteration of condition of tenure of the said land as aforesaid, the Vendor shall apply to the Town Council for approval to erect houses on the said land in numbers and of a specification to be determined and for this purpose the Vendor expressly binds himself to execute and sign all necessary or requisite papers or documents or other writings whatsoever and to take all necessary steps and in general to extend to the Purchaser all reasonable assistance and co-operation that may be required.

6. The Vendor shall within the said period of eight (8) months take immediate steps to effect the removal of the four existing houses on the said land.

20 7. After the Government permission shall have been obtained for a change of condition of tenure of the said land, and after approval has been obtained from the Town Council for erection of dwelling-houses in accordance with the specification and plan submitted by the Purchaser, and after the existing four houses shall have been removed from the said land, then in these events only the Purchaser shall make a further payment to the Vendor of the balance sum of Dollars Twenty two thousand and five hundred (\$22,500/-) only and an appropriate legal transfer shall be executed
30 between the Vendor and the Purchaser.

40 8. In the event of such permission for change of condition of tenure of the said land being refused by the Government, or of its proving impossible to obtain the approval of the Town Council for erection of dwellinghouses and to effect the immediate removal of the existing houses on the said land, then the Vendor shall be bound forthwith to refund to the Purchaser the said sum of Dollars Nine Thousand (\$9,000/-) and the present agreement shall then thereafter be treated as voided and of no effect.

50 9. If after such Government permission has been obtained and the erection of dwelling-houses on the said land has been approved by the Town Council and the existing houses on the said land have been removed or evacuated and other satisfactory arrangements have been made, the Vendor in these circumstances refuses or fails to effect transfer of the said land to the Purchaser then in that event the Vendor shall refund to the Purchaser the sum of Dollars Nine Thousand (\$9,000/-) and shall pay to the

EXHIBITS

A1
Agreement
between Madam
Soh Tuan and
taxpayer
3rd September
1961
(continued)

Purchaser a further sum of Dollars Nine thousand (\$9,000/-) only as compensation for breach of contract. In the event of the Purchaser's refusing or failing after fulfilment of all the conditions set out in clause 7 hereof to complete payment of the price of the said land then in that event the amount paid by the Purchaser to the Vendor under clause 2 above shall be forfeit and the present agreement shall then be determined.

10

10. The Purchaser agrees to defray all expenses inconnection with the transfer of the said land and application for alteration of tenure thereof.

11. And it is expressly provided that in the event of the death or incapacity of any party to this agreement, his rights and obligations hereunder shall devolve upon his heirs, executors, administrators and assigns.

IN WITNESS WHEREOF the parties have hereto and hereunto set their hands at Alor Star the day and year first above written

20

Signed and delivered by the)
said Madam Soh Tuan, the)
Vendor in the presence of).....
Madam Soh Tuan
i/c K.006805

Sgd. G.Naughton Christie
G.NAUGHTON CHRISTIE
Advocate & Solicitor
Federation of Malaya

30

Signed and delivered by the)
said Teoh Chai Siok, the)
Purchaser in the presence)
of).....
Teoh Chai Siok
I/C No.K.402180

Sgd. G.Naughton Christie
G. NAUGHTON CHRISTIE
Advocate & Solicitor
Federation of Malaya

40

EXHIBITS
A2

LETTER FROM LAND OFFICE TO
G.N.CHRISTIE - 4th July 1963

PEJABAT TANAH, KOTA STAR
ALOR STAR, KEDAH

Tarikh 4hb.July 1963

EXHIBITS

A2
Letter from
Land Office
to G.N.
Christie
4th July
1963

(8) dlm.LOKS.240/1961

10 G.Naughton Christie Esqr.,
Advocate & Solicitor,
19, Jalan Tunku Ibrahim,
ALOR STAR

Sir,

Land in Mukim Alor Malai, Kota Star,
held under S.P.K. No.14750

20 Reference your letter of 28th Sept: 1961
applying for the excision of agricultural
condition of bendang/kampong in order to
develop the land for dwelling houses for sale,
as the agricultural Department has raised
objection to the effect that the existing
title condition should be maintained, I regret
I am unable to consider your application.

Delay is regretted as this matter has
unfortunately been overlooked.

I am, Sir,
Your obedient servant,
(Sgd) Illegible

WB/ams

WAN BAN BIN CHE KASSIM
Ketua Pejabat Tanah
Kota Star, Kedah.

EXHIBITS

A3

Copy letter
from Chang Min
Tat to taxpayer
4th July 1963

EXHIBITS

A3

COPY LETTER FROM CHANG
MIN TAT TO TAXPAYER
- 4th July 1963

CHANG MIN TAT
ADVOCATE & SOLICITOR

Tel: Alor Star 784
Tel: Penang 64520

79 Jalan Langgar
Alor Star, Kedah

Room 102 Chung Siew
Yin Building
No.25 Light Street,
PENANG.

10

ALOR STAR

Mr. Teoh Chai Siok,
No.53 Jalan Tunku Ibrahim,
Alor Star.

I act for Madam Soh Tuan of Batu 2, Jalan
Langgar Alor Star.

I am instructed by my client to refer
you to the agreement dated the 3rd day of
September 1961 and executed between yourself
and my client whereby you have paid to my client
a sum of \$9,000.00 by way of deposit for the
purchase of the land comprised in S.P.K.No.
14750 in the Mukim of Alor Malai, Kota Star,
Kedah in area 7 relongs 266 jemba more or less,
at a consideration of \$31,500.00.

20

It was also a term of the agreement that
in the event of my client's failure to obtain
the approval of the Government to change the
condition, my client is to refund the said sum
of \$9,000.00 to you and the agreement is to
be treated as null and void.

30

I am further informed by my client that
the Grant of the said land is in you custody.

I am instructed by my client to inform you
that she is unable to obtain the necessary
approval from the Government and in compliance
with Clause 8 of the agreement my client would
like to treat the agreement as null and void.
My client has paid a sum of \$9,000.00 to me to
be refunded to you.

40

I shall be obliged if you would call at
my office within three (3) days from the date
hereof to collect your refund and to return
the Grant of the said land to my client failing

which my client shall take such proceedings as she may be advised.

Dated at Alor Star this 4th day of July 1963.

Sd/- Chang Min Tat
Advocate & Solicitor

EXHIBITS

A3
Copy letter
from Chang Min
Tat to tax-
payer
4th July 1963
(continued)

EXHIBITS

A4

COPY LETTER FROM CHANG MIN
TAT TO TAXPAYER - 13th July 1963

A4
Copy letter
from Chang Min
Tat to
taxpayer
13th July 1963

10

CHANG MIN TAT
ADVOCATE & SOLICITOR
FEDERATION OF MALAYA

79 Jalan Langgar
Alor Star, Kedah

Room 102 Chung Siew Yin
Building
No.25 Light Street,
Penang

13th July, 1963

20

The Land Officer,
Kota Star.

Dear Sir,

Re: S.P.K. No.14750, Mukim Alor
Malai in the District of
Kota Star

I have the honour to inform you that I act for Madam Soh Tuan of Batu 2, Jalan Langgar, Alor Star.

I am instructed by my client to bring the following facts for your consideration :-

30

1. My client is the registered owner of the abovenamed land.
2. On 3rd day of September, 1961 my client executed an agreement with one Teoh Chai Siok of No.53, Jalan Tunku Ibrahim, Alor Star (A copy of the agreement is enclosed herewith for your reference).
3. It was a term of the agreement that if my

EXHIBITS

A4
Copy letter
from Chang Min
Tat to taxpayer
13th July 1963
(continued)

client is unable to obtain the permission to convert the land the agreement is to be treated null and void.

4. On the 4th day of July, 1963 my client received letter from the Land Office, Kota Star informing my client that her application for conversion has been refused.
5. As a result of her application being refused I was instructed by my client to write to the said Teoh Chai Siok requesting for the return of the title deed which was kept by him and at the same time requesting him to collect his refund money of \$9,000-00 (a copy of the letter is enclosed herewith) 10
6. The said Teoh Chai Siok has refused and still refuses to deliver back the title deed of the land to my client. 20

Under such circumstances, I shall be obliged if you would entertain my client's application to you for the issue of the title deed to my client.

I have the honour to be,
Sir,
Your obedient servant
Sd/-

Encls.

EXHIBITS

A5

COPY OF LETTER FROM TAXPAYER'S
SOLICITORS JAYADEVA & ZAHIR TO
MR CHANG MIN TAT - 18th July 1963

EXHIBITS

A5

Copy letter
from Tax-
payer's
solicitors
Jayadeva &
Zahir to Mr
Chang Min Tat

18th July
1963

JAYADEVA & ZAHIR
ADVOCATES & SOLICITORS

Bangunan Kerjasama
Jalan Langgar

Alor Star, Kedah
PERSEKUTUAN TANAH
MELAYU

18th July 1963

10

MZI/LPK
M.431

Mr. Chang Min Tat
Advocate & Solicitor,
ALOR STAR

Dear Sir,

Your notice dated 4th July 1963 addressed
to Mr. Teoh Chai Seok of No: 53, Jalan Tunku
Ibrahim, Alor Star has been handed to us with
instructions to reply thereto.

20

Our client instructs us to state that he
is aware that your client is unable to obtain the
approval of the Government for the change of
condition of the land. The condition stipulated
under Clause 8 is whether the Government has
refused the application by your client or
whether it is proved impossible to obtain the
approval.

30

Our client is therefore prepared to wait
for a further period to enable the Government
to consider or reconsider your client's applica-
tion for the change of condition. Our client
is even prepared to make such application on
behalf of your client.

Furthermore your client has received the
following sums of money from our client :-

1. Paid to her to be paid to Puan Chan
Siew Guat in consideration for her
moving out of the land vide agree-
ment dated 5.9.1961 \$ 100.00
2. Padi to Mohd. Lazim, Mohd Isa dan
Hamid in consideration as above
vide agreement dated 5.9.1961 1,000.00

40

EXHIBITS

A5
Copy letter
from Tax-
payer's
Solicitors
Jayadeva &
Zahir to Mr
Chang Min Tat
18th July
1963
(continued)

3.	Paid to Mohd. Lazim, Mohd. Isa dan Hamid the balance of consideration as 2 above on 14.4.1962	\$1,100.00	
4.	Paid to Puan Chan Siew Guat being balance of consideration as in 1 above on 20.3.62	100.00	
5.	Paid to your client as further payment towards the purchase price on 6.5.62	500.00	10
6.	Goods taken on credit from our client to be set off against the balance of the purchase price on two bills dated 31.12.61 and 17.6.62 for \$110.15 and \$49.30 respectively	159.45	
7.	Cash advances taken by your client to be accounted towards the balance of purchase price :-		20
	(a) 19.7.62 ... 50.00		
	(b) 4.8.62 ... 50.00		
	(c) 18.4.63 ... 20.00		
	(d) 24.4.63 ... 80.00		
	(e) 15.6.63 ... 50.00		
	(f) 23.6.63 ... 50.00		
	(g) 27.6.63 ... <u>50.00</u>	<u>350.00</u>	
	TOTAL	<u>\$3,309.45</u>	30

To make matters easy our client is prepared to purchase the land even if there is no change of condition. We are of the opinion that your client would agree to this as it will take away the burden from your client of her obligations.

Kindly request your client to attend our office for the execution of the transfer and our client is prepared to pay the balance of the purchase price less the advances made to your client. 40

Yours faithfully,
Sd.

EXHIBITS

A6

COPY OF LETTER FROM CHANG
MIN TAT TO JAYADEVA & ZAHIR
20th July 1963

M 431
MZI/LPK

20th July 63

EXHIBITS

A6

Copy of
letter from
Chang Min
Tat to
Jayadeva &
Zahir

20th July
1963

10 Messrs. Jayadeva & Zahir,
Advocates & Solicitors,
Jalan Langgar,
Alor Star

Dear Sirs,

I am in receipt of your letter on the 18th
day of July, 1963.

20 In answer to your queries, I enclose
herewith a copy of letter from the Ketua Pejabat
Tanah, Kota Star dated the 4th day of July, 1963
and addressed to G. Naughton Christie Esq. It
is self explanatory. Madam Soh Tuan's applica-
tion has been refused.

Under the circumstances and the provisions
of Clause 4 of the agreement dated the 3rd day
of September 1961, my client must regard the
agreement null and void and will refund the
\$9,000-00 to your client upon having your
client's confirmation and return of the documents
of title.

Yours faithfully,

Sd/-

EXHIBITS

A7
Copy letter
from Taxpayer's
solicitors
Jayadeva & Zahir
to Chang Min Tat
29th July 1963

EXHIBITS

A7
COPY OF LETTER FROM TAXPAYER'S
SOLICITORS JAYADEVA & ZAHIR
TO CHANG MIN TAT - 29th July 1963

29th July, 1963

MZI/(LPK)/GSG

Mr. Chang Min Tat,
No.79 Jalan Langgar,
Alor Star,
Kedah

10

Dear Sir,

We refer to your letter dated 20th July,
1963.

We note that your letter does not
mention anything with regards to the further
advances made by our client in the sum of
\$3,309.45 to your client. This is stated by
our letter dated 18th July, 1963. Please let
us know whether your client disputes these
further advances.

20

As stated in our previous letter, our
client is quite aware of the refusal by
the Land Office but under Clause 8 of the
agreement this does not necessary mean our
client cannot try again applying for the
charge of condition. It is not yet impossible.

Further our client is prepared to proceed
with the sale by paying to your client the
balance of the purchase price less the
advances. This will relieve your client of
any responsibility and obligation under the
agreement. We do not see why your client
will not agree. It does not incur your client
in any loss.

30

Moreover our client has the option to
complete the sale and ask for specific
performance.

Kindly therefore request your client to
execute the transfer attested by you and
forward the same to us.

40

We undertake to pay you the balance of
the purchase price as mentioned above.

Yours faithfully,
Sd.

EXHIBITS
A8

COPY OF LETTER FROM PRESGRAVE
AND MATTHEWS TO G.N.CHRISTIE
10th April 1964

Presgrave & Matthews
Advocates & Solicitors,
Penang.

10th April, 1964

EXHIBITS
A8

Copy of
letter from
Presgrave and
Matthews to
G.N.Christie
10th April
1964

Dear Sir,

10 SPK No. 14750 of Alor Malai District
 Kota Star Kedah - 7R: 266J

We act for Madam Soh Tuan of Batu 2, Jalan
Langgar, Alor Star, Kedah.

We are instructed that our client entered
into an agreement of sale in respect of the
above property on the 3rd day of September, 1961
with your client Teoh Chai Siok of No.53, Jalan
Tunku Ibrahim, Alor Star, Kedah subject to the
terms and conditions stated therein.

20 We are further instructed to inquire from
you whether any application has been made to
the Government of the State of Kedah for the
conversion of the above title from bendang land
into building land as provided under clause 4 of
the said Agreement of sale, and if so, please
let us have a copy of the same (for which we
undertake to pay your copying fee if any). Please
also let us know the present position.

30 Our client states that she handed the above
title to your client and we are instructed to
demand, which we hereby do, for the return of
the aforesaid title from your client within
seven days from the date hereof.

Yours faithfully,

Presgraves & Matthews

To: illegible

EXHIBITS

A9

Letter from
Presgrave and
Matthews to
taxpayer

4th August
1964

EXHIBITS

A9

LETTER FROM PRESGRAVE AND
MATTHEWS TO TAXPAYER
4th August 1964

PRESGRAVE & MATTHEWS
Advocates & Solicitors

P.O. BOX 81
9 BEACH STREET
PENANG, MALAYSIA

REGISTERED A.R.

4th August, 1964

KKC/RL/1025-A/64

10

Dear Sir,

SPK. No.14750 Mukim Alor Malai,
District Kota Star, Kedah

We act for Madam Soh Tuan of Batu 2,
Jalan Langgar, Alor Star, Kedah the registered
proprietor of the above property.

We are instructed that our client entered
into an Agreement of sale in respect of the
above property on the 3rd day of September,
1961 with you for the sale of the same to you
subject to the terms and conditions therein
contained, and subsequently the title to the
above property was handed to you by our client
at your request.

20

We are further instructed that applica-
tion for the conversion of the above property
from bedang/kampong land into building land
in accordance with the provision of Clause 4
of the above said Agreement of sale has been
submitted by your Solicitor Mr. G.Naughton
Christie to the Land Officer, Kota Star, Kedah
and the said application has been rejected by
the said Land Officer vide his letter dated
the 4th day of July, 1963 addressed to your
Solicitor (a copy of which is enclosed here-
with for your reference).

30

We are accordingly instructed by our
client that the abovesaid Agreement of Sale
dated the 3rd day of September, 1961 is now
null and void and of no effect as provided
under Clause 8 of the said Agreement of Sale
and our client will refund the deposit of
\$9,000/- to you on receipt of the title to
the above property from you.

40

Our client requires the title to the above

property urgently. Will you please forward it to our client within seven days from the date hereof.

Yours faithfully,
Sd.

Mr. Teoh Chai Siok,
53 Halan Tunku Ibrahim,
Alor Star, Kedah

c.c. Madam Soh Tuan,
Batu 2, Jalan Langgar,
Alor Star, Kedah.

EXHIBITS

A9
Letter from
Presgrave and
Matthess to
taxpayer

4th August
1964

(continued)

10

EXHIBITS
A10

WITH ENCLOSURE REFERRED TO
BEING LETTER FROM LAND OFFICER
TO G.N.CHRISTIE -4th July 1963

A10
With enclosure
referred to
being letter
from Land
Officer to
G.N.Christie
.4th July 1963

(8) dlm.LOKS.240/1961 COPY) 4hb July 63

G.Naughto Christie, Esq.
Advocate & Solicitor,
19, Jalan Tunku Ibrahim,
ALOR STAR

20

Sir,

Land in Mukim Alor Malai, Kota Star,
held under S.P.K.No.14750

Reference your letter of 28th Sept: 1961 applying for the excision of agricultural condition of bendang/kampong in order to develop the land for dwelling houses for sale, as the agricultural Department has raised objection to the effect that the existing title condition should be maintained, I regret I am unable to consider your application.

30

Delay is regretted as this matter has unfortunately been overlooked.

I am, Sir,
Your obedient servant,

Sd. Illegible

TRUE COPY
Sd. Illegible
27/7/64

WAN BAN BIN CHE KASSIM
Ketua Pejabat Tanah
Kota Star, Kedah.

EXHIBITS

All
Agreement between
Madam Soh Tuan
and taxpayer
9th March 1966

EXHIBITS

All
AGREEMENT BETWEEN MADAM SOH
TUAN AND TAXPAYER - 9th March
1966

AN AGREEMENT made and executed at Alor Star this 9th day of March in the year one thousand nine hundred and sixty six between Madam Soh Tuan, I/C No: K.006805 of Batu 2, Jalan Langgar, Alor Star, Kedah (hereinafter called the Vendor) of the one part, and Teoh Chai Siok, I/C No: K.402180 (AS) of No.53, Jalan Tunku Ibrahim, Alor Star, Kedah (hereinafter called the Purchaser) of the other part. 10

WHEREAS the Vendor is the registered owner of the bendang land comprised in Surat Putus Kechik No: 14750, Mukim Alor Malai, Kota Star District, Kedah, in area 7 relongs 266 jembas.

AND WHEREAS the Vendor agrees to sell the said land and the Purchaser agrees to buy the said land at the price of Thirty One Thousand and Five hundred Dollars (\$31,500/-) only upon the terms and conditions hereinafter set out. 20

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS :-

1. The Vendor agrees to sell and the Purchaser agrees to buy the said land comprised in Surat Putus Kechik No.14750, Mukim Alor Malai, Kota Star District, Kedah, in area 7 relongs 266 jembas at the price of Dollars Thirty One Thousand and five hundred (\$31,500/-) only. 30

2. Upon execution of these presents the Purchaser shall pay to the Vendor the sum of Dollars Thirteen thousand and three hundred and nine & cents forty five (\$13,309.45) only (receipt whereof the Vendor by her signature hereto hereby acknowledges) in part payment of the purchase price of the said land. 40

3. The Purchaser agrees to settle the balance of Dollars Eighteen thousand and One hundred and ninety & Cents fifty five (\$18,190.55) only within three (3) months from the date hereof.

4. It shall be a condition of the sale that the Vendor shall apply for and obtain Government

permission for alteration of the condition of tenure of the said land so that the said land may be used for the exclusive purpose of erecting dwelling-houses thereon.

EXHIBITS

All
Agreement
between Madam
Soh Tuan and
taxpayer

9th March 1966

(continued)

10 5. After the Government permission shall have been obtained alteration of condition of tenure of the said land as aforesaid, the Vendor shall apply to the Town Council for approval to erect houses on the said land in numbers and of a specification to be determined and for this purpose the Vendor expressly binds himself to execute and sign all necessary or requisite papers or documents or other writing whatsoever and to take all necessary steps and in general to extend to the Purchaser all reasonable assistance and co-operation that may be required.

20 6. The Vendor shall within the said period of three(3) months take immediate steps to effect the removal of the four existing houses on the said land.

30 7. After the Government permission shall have been obtained for a change of condition of tenure of the said land, and after approval has been obtained from the Town Council for erection of dwelling-houses in accordance with the specification and plan submitted by the Purchaser, and after the existing four houses shall have been removed from the said land, then in these events only the Purchaser shall make a further payment to the Vendor of the balance sum of Dollars Eighteen thousand and one hundred and ninety & Cents fifty five (\$18,190.55) only and an appropriate legal transfer shall be executed between the Vendor and the Purchaser.

40 8. In the event of such permission for change of condition of tenure of the said land being refused by the Government, or of its proving impossible to obtain the approval of the Town Council for erection of dwelling-houses and to effect the immediate removal of the existing houses on the said land, then the Vendor shall be bound forthwith to refund to the Purchaser the said sum of Dollars Thirteen thousand and three hundred and nine & Cents forty five (\$13,309.45) and the present agreement shall then thereafter be treated as voided and of no effect.

50 9. If after such Government permission has been obtained and the erection of dwelling-houses on the said land has been approved by the Town

EXHIBITS

All
Agreement
between Madam
Soh Tuan and
taxpayer
9th March 1966
(continued)

Council and the existing houses on the said land have been removed or evacuated and other satisfactory arrangements have been made, the Vendor in these circumstances refuses or fails to effect transfer of the said land to the Purchaser then in that event the Vendor shall refund to the Purchaser the sum of Dollars Thirteen thousand and three hundred and nine & Cents forty five (\$13,309.45) and shall pay to the Purchaser a further sum of Dollars Thirteen thousand and three hundred and nine & Cents forty five only as compensation for breach of contract. In the event of the Purchaser's refusing or failing after fulfilment of all the conditions set out in clause 7 hereof to complete payment of the price of the said land then in that event the amount paid by the Purchaser to the Vendor under clause 2 above shall be forfeit and the present agreement shall then be determined. 10 20

10. The Purchaser agrees to defray all expenses in connection with the transfer of the said land and application for alteration of tenure thereof.

11. And it is expressly provided that in the event of the death or incapacity of any party to this agreement, his rights and obligations hereunder shall devolve upon his heirs, executors, administrators and assigns.

IN WITNESS WHEREOF the parties have hereto and hereunto set their hands at Alor Star the day and year first above written. 30

Signed and delivered by the
said Madam Soh Tuan the Vendor in the presence of } R.T.P.

Sgd.
KHOO SOO ENG
Advocate & Solicitor,
Kedah

Signed and delivered by the
said Teoh Chai Siok, the Purchaser in the presence of } Sgd. (in Chinese) 40

Sgd.
KHOO SOO ENG
Advocate & Solicitor
Kedah

This is the exhibit marked " A " and referred to in the Affidavit of Teoh Chai Siok Sworn to before me this 7th day of July 1971.

.....
Assistant Registrar
Commissioner for Oaths
High Court, Alor Star

EXHIBITS

All
Agreement
between Madam
Soh Tuan and
taxpayer
9th March
1966
(continued)

EXHIBITS
A12

10 COPY OF LETTER FROM TAXPAYER'S
SOLICITORS ALLEN AND GLEDHILL
TO DIRECTOR OF LANDS, ALOR STAR
9th September 1966

A12
Copy of
letter from
Taxpayer's
solicitors
Allen and
Gledhill to
Director of
Lands, Alor
Star
9th September
1966

99/66

9th September, 1966

Director of Lands,
Kedah,
Alor Star.

Dear Sir,

20 Agreement dated 9.3.66 -
S.P.K. No.14750 Mk. Alor
Malai, Kota Star

We act for Mr. Teoh Chai Siok of 53,
Jalan Tunku Ibrahim, Alor Star, Kedah, the
Purchaser under an Agreement dated the 9th day
of March, 1966.

30 By clause 4 of the said Agreement, the
Vendor Madam Soh Tuan, has to apply to you for
permission for alteration of condition of tenure
of the land comprised in Surat Putus Kechik
No. 14750 Mukim Alor Mulai, District of Kota
Star, Kedah, from padi land to land for the
exclusive purpose of erecting dwelling houses.

Please let us know as to whether the
Vendor Madam Soh Tuan (I.C. No. K.006805) of
Batu 2, Jalan Langgar, Alor Star has made any
such application to yourself.

An early reply is requested.

Yours faithfully,
Sd.

EXHIBITS

A12
Copy of
letter from
Taxpayer's
solicitors
Allen and
Gledhill to
Director of
Lands, Alor
Star
9th September
1966
(continued)

c.c. Mr. Teoh Chai Siok,
53 Jalan Tunku Ibrahim,
Alor Star,
Kedah

Civil Suit No. 133 of 1966

This is the Exhibit marked "C"
referred to in the Affidavit of Teoh
Chai Siok affirmed on the 6th day of
October 1966

Sd.
MAGISTRATE

10

A13
Reply from
Director of
Lands
(Translation)
15th September
1966

EXHIBITS
A13

REPLY FROM DIRECTOR OF LANDS
(TRANSLATION) 15th September 1966

TRANSLATION

Our reference (104) dlm P.P.T. 1/66

Office of Commissioner for
Lands and Mines, Kedah
Alor Star 15th September,
1966

20

Messrs. Allen and Gledhill,
Advocates and Solicitors,
O.C.B.C. Building,
Room 102, Beach Street,
Penang.

SPK. No: 14750 Mukim of
Alor Malai

Reference your letter Ref: 99/66 dated
9th September, 1966, it is to inform that
Madam Soh Tuan does not make application for
change of condition of use of land in this
Office.

30

Sd: Illegible
for Commissioner for Lands and
Mines, Kedah

Translation No. 122(A) 1967
Folio - Fee -
Translated by me.

Sd. Illegible
Sworn Interpreter
High Court, Alor Star

EXHIBITS
A14

LETTER FROM TAXPAYER TO
COLLECTOR OF LAND REVENUE
(TRANSLATION) 15th September
1966

EXHIBITS

A14
Letter from
Taxpayer to
Collector of
Land Revenue
(Translation)
15th September
1966

TRANSLATION

10

Teoh Chai Siok,
(i/c 903389)
53, Jalan Tunku Ibrahim,
Alor Star, Kedah
15th September, 1966

The Collector of Land Revenue,
Land Office, Kota Star,
Kedah.

Sir,

Surat Putus Kechik No: 14750 Mukim
of Alor Malai, District of Kota Star,
Kedah

20

I come to understand that the vendor and
also the owner of the abovementioned land
applied to Government to change the condition
of the above for constructing dwelling houses
thereon.

I wish to have information from you if
the owner of the aforesaid land (Madam Soh
Tuan) has actually submitted application for
change of condition.

Your reply is very much appreciated.

30

Yours faithfully,

Sd:

(Teoh Chai Soh)

c.c.

The Commissioner for Lands and Mines,
Lands and Mines Office,
Kedah.

40

Translation No. 123(A) 1967
Folio - Fee -
Translated by me.
Sd.
Sworn Interpreter
High Court, Alor Star

EXHIBITS

A15

Reply from
Land Office
(Translation)
17th September
1966

EXHIBITS

A15

REPLY FROM LAND OFFICE
(TRANSLATION) 17th September
1966

TRANSLATION

(23) dlm LOKS. 240/1961

LAND OFFICE, KOTA STAR,
ALOR SETAR

17th Sept: 1966

10

Mr. Teoh Chai Siok,
53, Jalan Tunku Ibrahim,
Alor Setar.

SKP. 14750 Mukim of Alor Malai

Reference your letter dated 15.9.1966
in connection with the above, it is to inform
you that in the year 1961, the land owner
applied for change of condition, but the
application was not approved and after that
no application has been received from the
land owner.

20

That is all.

(Make National Language a success)

Sd: Illegible

Collector of Land Revenue,
Kota Star.

Translation No. 124(a) 1967
Folio - Fee -
Translated by me.

Sd.

30

Sworn Interpreter
High Court, Alor Star

EXHIBITS
A16

WRIT OF SUMMONS IN ALOR STAR
HIGH COURT CIVIL SUIT No.
133 of 1966 - 22nd September 1966

EXHIBITS

A16
Writ of
Summons in
Alor Star
High Court
Civil Suit
No.133 of
1966
22nd
September
1966

WRIT OF SUMMONS

IN THE HIGH COURT IN MALAYA AT ALOR STAR, KEDAH
CIVIL SUIT NO. 133 OF 1966

Between

10 Teoh Chai Siok Plaintiff

And

Soh Tuan (f) Defendant

Dato' Asmi bin Haji Mohamed D.P.M.K., PSB.
PJK. Chief Justice in the High Court in Malaya,
in the name and on behalf of His Majesty the
Yang di-Pertuan Agong.

To:

20 Soh Tuan (f) the Defendant abovenamed,
Batu 2, Jalan Langgar,
Alor Star,
Kedah.

We command you, that within Eight (8) days
after the service of this Writ on you, inclusive
of the day of such service, you do cause an
appearance to be entered for you in an action
at the suit of Teoh Chai Siok

AND TAKE NOTICE that in default of your
so doing the Plaintiff may proceed therein and
judgment may be given in your absence.

30 WITNESS,
Registrar of the High Court
in Malaya
the day of 196 .

Sd. Allen & Gledhill
Plaintiff Solicitors

Senior Assistant Registrar
High Court, Alor Star,
Kedah

EXHIBITS

A16
Writ of
Summons in
Alor Star
High Court
Civil Suit
No.133 of
1966
22nd September
1966
(continued)

N.B. - This Writ is to be served within twelve months from the date thereof, or if renewed, within six months from the date of last renewal, including the day of such date, and not afterwards.

The defendant (or defendants) may appear hereto by entering an appearance (or appearances) either personally or by Solicitor at the Registry of the High Court at

A defendant appearing personally, may, if he desires, enter his appearance by post, and the appropriate forms may be obtained by sending a Postal Order for \$3.00 with an addressed envelope to the Registrar of the High Court at 10

Indorsement of Claim

The Plaintiff's claim is for :-

1. Specific performance of a written agreement between the Plaintiff and the Defendant dated the 9th day of March, 1966 for the sale by the Defendant to the Plaintiff of a certain piece of bendang land comprised in Surat Purat Putus Kechik No. 14750, Mukim Alor Malai, Kota Star district, Kedah. 20
2. Further or alternatively, damages for breach of contract.
3. Alternatively, recession of the said contract and repayment to the Plaintiff of the deposit of \$13,309.45 paid thereunder with interest at 4% per annum from the 9th of June, 1966. 30
4. A declaration that the Plaintiff is entitled to a lien on the said property for his deposit together with interest thereon and any damages and costs awarded in this action.
5. Further or other relief.
6. Costs.

Sd. Allen & Gledhill
Plaintiff's Solicitors

This Writ was issued by Messrs. Allen & Gledhill whose address for service is Room 102 (1st floor), O.C.B.C. Building, Beach Street, Penang, solicitors for the said Plaintiff who 40

resides at 53, Jalan Tunku Ibrahim, Alor Star, Kedah.

This Writ together with the Statement of Claim annexed hereto was served by me at _____ on _____ the _____ day of _____ 1966 at the hour of _____ a.m./p.m.

Indorsed this _____ day of _____, 1966.

(Signed) _____

(Address) _____

10

EXHIBITS

A16
Writ of Summons in Alor Star High Court Civil Suit No. 133 of 1966

22nd September 1966

(continued)

EXHIBITS

A17

STATEMENT OF CLAIM IN ALOR STAR HIGH COURT 133 of 1966
22nd September 1966

A17
Statement of Claim in Alor Star High Court 133 of 1966

22nd September 1966

In the High Court in Malaya at Alor Star, Kedah
Civil Suit No. 133 of 1966

Between

Teoh Chai Siok

Plaintiff

And

Soh Tuan (f)

Defendant

20

STATEMENT OF CLAIM

(Accompanying the Writ of Summons under Order 3 rule 6 of the Rules of the Supreme Court, 1957)

1. By agreement dated the 9th day of March, 1966 the Defendant agreed to sell and the Plaintiff agreed to buy from the Defendant her piece of bendang land comprised in Surat Purat Putus Kechik No. 14750, Mukim Alor Malai, Kota Star District, Kedah at the price of \$31,500/- the sale was to be completed within three months from the date of the execution of the said agreement.

30

2. It was further provided by the said agreement that the Plaintiff pay a deposit of \$13,309.45 in respect of the said purchase price. The Plaintiff duly paid the sum to the Defendant on the execution of the said agreement and the

EXHIBITS

A17
Statement of
Claim in Alor
Star High
Court
133 of 1966
22nd September
1966
(continued)

Plaintiff will at the trial refer to the said agreement for its full terms and effect.

3. Notwithstanding repeated requests by the Plaintiff the Defendant has neglected and refused and continue to neglect and refuse to take any steps towards completion of the said agreement for sale.

4. The Plaintiff has at all material times been and is now ready and willing to fulfill all his obligations under the said agreement notwithstanding that the Defendant has not complied fully with her obligations under the said agreement.

10

And the Plaintiff claims :-

(1) Specific performance of the said agreement.

(2) Further or alternatively, damages for breach of contract.

(3) Alternatively, recession of the said contract and repayment to the Plaintiff of the deposit of \$13,309.45 paid thereunder with interest at 4% per annum from the 9th of June, 1966.

20

(4) A declaration that the Plaintiff is entitled to a lien on the said property for his deposit together with interest thereon and any damages and costs awarded in this action.

(5) Further or other relief.

(6) Costs.

Dated at Penang this 22nd day of September, 1966.

30

Sd. Allen & Gledhill
Plaintiff's Solicitors.

EXHIBITS
A18

STATEMENT OF DEFENCE IN
CIVIL SUIT No. 133 of 1966
12th October 1966

EXHIBITS

A18
Statement
of Defence
in Civil
Suit No.
133 of 1966
12th
October
1966

IN THE HIGH COURT IN MALAYA AT ALOR STAR, KEDAH
CIVIL SUIT NO: 133 OF 1966

Between

Teoh Chai Siok

Plaintiff

And

Soh Tuan (f)

Defendant

STATEMENT OF DEFENCE

1. Save as the defendant admits executing an agreement dated 9th March 1966 between the plaintiff and the defendant, the defendant denies the knowledge of the contents of the alleged agreement.

2. The defendant avers that sometime in the year 1961, the defendant executed an agreement with the plaintiff whereby the defendant agreed to sell the said land referred to the plaintiff upon certain terms and conditions. When the defendant wanted to determine the said agreement as the defendant could not comply with the term, the plaintiff refused to accept such termination.

3. The defendant was then taken to an office where a second agreement was executed.

4. The defendant was induced to make the alleged contract by the fraud of the plaintiff.

Particulars of Fraud

(i) The alleged contract was not read out and explained to the defendant and was merely requested to put her thumb print on it.

(ii) The alleged contract was in the English language and the defendant was ignorant of the contents therein.

(iii) The defendant was merely told that it was an extension of a previous contract.

5. As to paragraph 2 of the statement of claim,

EXHIBITS

A18
Statement
of Defence
in Civil
Suit No.
133 of 1966
12th October
1966
(continued)

the defendant denies receiving the alleged sum of \$13,309.45 on the execution of the said agreement and the defendant repeats paragraphs 2, 3 and 4 of the statement of defence.

6. Further and in the alternative, the defendant will contend that even if there was in existence such a contract, the defendant pleads impossible of performance and the defendant shall refer to the terms and conditions of the said contract. 10

7. The defendant denies paragraph 3 of the statement of claim.

8. As to paragraph 4 of the statement of claim save as the defendant has no knowledge that the plaintiff is ready and willing to fulfill his obligations, the defendant repeats paragraphs 2, 3, 4 and 5 of the statement of defence.

9. Save as herein admitted, the defendant denies each and every allegation contained in the statement of claim as if the same were herein set out and seriatim traversed. 20

Dated this 12th day of October, 1966.

(Thumb print)

The defendant above-named

To: Teoh Chai Siok
53, Jalan Tunku Ibrahim,
Alor Star
or his Solicitors,
Messrs. Allen & Gledhill,
Oversea Chinese Bank Building,
Beach Street (1st Floor),
Penang.

30

EXHIBITS

A19

REPLY IN CIVIL SUIT No.
133 of 1966 - 10th November
1966

EXHIBITS

A19

Reply in
Civil Suit
No.133 of 1966

10th November
1966

In the High Court in Malaya at Alor Star

Civil Suit No. 133 of 1966

Between

Teoh Chai Siok

Plaintiff

And

Soh Tuan (f)

Defendant

R E P L Y

1. The Plaintiff joins issue with the Defendant on her Defence.

2. As to paragraph 2 thereof Plaintiff admits that the Defendant executed an agreement therein mentioned and says that Defendant was well aware of the terms and contents thereof at all material times.

20 3. As to paragraphs 3 and 4 thereof, Plaintiff denies the alleged or any fraud on his part and avers that the Defendant was also well aware of the terms and contents of the agreement dated 9th day of March, 1966 at all material times.

30 4. As to paragraph 5 thereof, Plaintiff admits that he did not pay to Defendant a lump sum of \$13,309.45 on the signing of the Agreement dated 9th March, 1966. Plaintiff adds that in the intervening period between the 2 agreements in question, the Plaintiff paid various sums of money to and/or on the direction of the Defendant and on the signing of the agreement dated the 9th day of March, 1966 he paid a further sum of \$1,000.00 to the Defendant so that by the said date Plaintiff had paid to Defendant a total sum of \$13,309.45, such total being agreed to be in part payment and to account of the purpose price of the land in question.

40 5. As to the Defendant's plea of impossibility of performance of the contract as mentioned in paragraph 6 thereof, the Plaintiff avers that he is ready and willing to purchase the said piece of "bendang" land from Defendant notwithstanding

EXHIBITS

A19
Reply in
Civil Suit
No.133 of
1966
10th November
1966
(continued)

that the defendant has not complied fully with her obligations under the said agreement dated the 9th day of March, 1966 particularly with regard to its conversion from "bendang" land to land for building purposes.

Dated this 10th day of November, 1966

Sd. Allen & Gledhill
Plaintiff's Solicitors

A20
Amended
Statement
of Defence
in Civil
Suit No.133
of 1966
7th July 1967

EXHIBITS
A20

10

AMENDED STATEMENT OF DEFENCE
IN CIVIL SUIT NO. 133 of 1966 -
7th July 1967

IN THE HIGH COURT IN MALAYA AT ALOR STAR
CIVIL SUIT NO: 133 OF 1966

Between

Teoh Chai Siok

Plaintiff

And

Soh Tuan (f)

Defendant

20

AMENDED STATEMENT OF DEFENCE

~~1.---Save as the defendant admits executing an agreement dated 9th March 1966 between the plaintiff and the defendant, the defendant denies the knowledge of the contents of the alleged agreement.~~

1. The defendant admits paragraph 1 of the statement of claim but says that the agreement (hereinafter called the said agreement) is subject to certain conditions which if not performed rendered the agreement void and of no effect

30

~~2.---The defendant avers that sometime in the year 1961, the defendant executed an agreement with the plaintiff whereby the defendant agreed to sell the said land referred to the plaintiff upon certain terms and conditions. Then the defendant wanted to determine the said agreement as the defendant could not comply with the term, the plaintiff refused to accept such termination.~~

2. The defendant avers that on the 3rd day of September 1961 the defendant entered in an agreement to sell the same piece of land i.e. S.P.P.K. No.:14750 Mukim Alor Malai, Kedah (hereinafter called the said land) to the plaintiff and further says that :

EXHIBITS

A20
Amended
Statement
of Defence
in Civil
Suit No.133
of 1966
7th July 1967
(continued)

- 10 (a) The agreement dated 3rd September 1961 and the agreement dated 9th March 1966 are identical in every respect except as to date, part payment of the purchase price and date of completion.
- (b) By Clause 4 it is a condition of sale in both agreements that the defendant shall apply for and obtain permission to alter the condition of tenure of the said land so that the said land may be used exclusively for the purpose of erecting dwelling houses thereon.
- 20 (c) On 28th September 1961 the plaintiff applied to the Land Officer, Kota Star, Alor Star, Kedah for permission to alter the condition of tenure of the said land
- (d) On the 4th July 1963 the application was refused and on the same day the plaintiff was informed of the refusal to alter the tenure of the said land and requested to take back his deposit.
- 30 (e) On the signing of the 1961 agreement the defendant handed Grant S.P.P.K. No. 14750 Mukim Alor Malai, Kota Star, Kedah to title to the said land to the plaintiff.

~~3. The defendant was then taken to an office where a second agreement was executed.~~

~~4. The defendant was induced to make the alleged contract by the fraud of the plaintiff.~~

Particulars of Fraud

40 (i) The alleged contract was not read out and explained to the defendant and was merely requested to put her thumb print on it.

(ii) The alleged contract was in the English language and the defendant was ignorant of the contents therein.

EXHIBITS

A20
Amended
Statement
of Defence
in Civil
Suit No.133
of 1966
7th July 1967
(continued)

~~(iii) The defendant was merely told that it was an extension of a previous contract.~~

3.3, As to paragraph 2 of the statement of claim, the defendant denies receiving the alleged sum of \$13,309.45 on the execution of the said agreement ~~as alleged and the defendant repeats paragraphs 2, 3 and 4 of the statement of defence.~~

~~6. Further and in the alternative, the defendant will contend that even if there was in existence such a contract, the defendant pleads impossible of performance and the defendant shall refer to the terms and conditions of the said contract.~~ 10

4. By Clause 4 of the said agreement, it was a condition precedent to the performance of the said contract that the defendant apply for and obtain permission for alteration of the condition of the tenure of the said land so that the said land may be used for the exclusive purpose of erecting dwelling houses thereon. 20

5. The said condition was not performed on this, that the appropriate authority on the 4th day of July 1963 and again refused the application by the defendant to alter the tenure of the said land and the plaintiff was aware of this.

6. By paragraph 8 of the said agreement, failure to obtain the required approval of the appropriate authority to alter the tenure of the said land, the said "agreement shall then thereafter be treated as voided end of no effect" 30

7. The defendant denies paragraph 3 of the statement of claim.

~~8. As to paragraph 4 of the statement of claim, save as the defendant has no knowledge that the plaintiff is ready and willing to fulfil his obligations, the defendant repeats paragraphs 2, 3, 4 and 5 of the statement of defendant.~~ 40

8. The defendant has not knowledge of paragraph 4 of the statement of claim.

9. Save as herein admitted, the defendant denies each and every allegation contained in the statement of claim as if the same were herein set out and seriation traversed.

~~Dated this 12th day of October 1966~~

EXHIBITS

COUNTERCLAIM

By way of counterclaim the defendant repeats paragraph 1, 2, 3, 4, 5, 6, 7, 8 abovementioned and claim that :

A20
Amended
Statement
of Defence
in Civil
Suit No.133
of 1966
7th July 1967
(continued)

10

(1) The Plaintiff return to the defendant forthwith the Grant Surat Putus Kechik No.14750, Mukim Alor Malai, Kota Star District, Kedah, handed to the plaintiff by the defendant on the 3rd September, 1971.

(2) Further and other relief

(3) Costs

Delivered this 7th day of July 1967

~~the defendant abovenamed-~~

Sd. G.H. Goh & Co.

Solicitors for the Defendant

The agreement was prepared by Mr. G.N. Christie. The \$9,000/- mentioned in Clause 2 was paid on day of execution of agreement in presence of Mr. Christie.

EXHIBITS

A21
Notes of
Evidence in
Civil Suit
No.133 of
1966

29th March
1968

(continued)

10 The tenants living in the 4 houses mentioned in Clause 6 agreed to move out of these houses. I can't remember their names. I agree their names are Chan Siew Guat (see "AB" page 4), Mohammad Isa bin Hanapi, Mohammed Lazim bin Mustaffa and Hamid bin Mat - (See "AB" page 5). I was involved in these agree-
ments because I paid them money to get them to quit these houses. Defendant instructed me to pay them the money.

20 The agreement with Chan Siew Guat was signed on 5.9.61. Defendant agreed to pay Chan \$200/-. I paid the \$100/- mentioned in Clause 3 of agreement to Chan in presence of Mr. Christie. I can't remember if defendant was present. The balance of \$100/- was paid to Chan by me after she had vacated the land subsequently. She gave me a receipt - Exhibit P.1 - translation Exhibit P.1^T put in. Again Defendant asked me to pay this um.

30 Defendant also asked me to pay money to Mohammed Isa, Mohd. Lazim and Hamid bin Mat (Refers to "AB" page 5). The agreed compensa-
tion for all three was \$2,100/-. A similar agreement prepared by Mr. Christie was drawn up. On date of signing agreement \$1,000/- was paid to the three by me at defendant's request - in presence of, I can't remember. It could have been Mr. Christie or his Chief Clerk. The balance of \$1,100/- I paid at request of defen-
dant to the three on their vacating the land subsequently. They gave me a receipt for latter sum - (Exhibit P-2 produced and identified, P-2^T translation). In each case I did not receive
40 receipts for the sums paid when the agreements were signed because I trusted Chan and the three Malays.

I can't say if defendant has applied for change of express condition as agreed. I did not myself apply for such change in express condition. At that time Mr. Christie was acting both for me and defendant.

50 I admit receiving letter dated 4.7.63 - Ref. "AB" page 7A - from defendant's then Solicitors. I did not collect the money he offered to refund. I refused because I wished

EXHIBITS

A21
Notes of
Evidence in
Civil Suit
No.133 of
1966

29th March
1968

(continued)

to buy the land even without change of express condition at the same price. I therefore asked my Solicitors to write letter - Ref. "AB" Page 11-12 - dated 18th July 1963.

I again instructed my Solicitors who wrote letter dated 29.7.63 - "AB" page 14. I received two further letters "AB" pages 17 and 18. I instructed my Solicitors to reply to the latter letter. I can't say whether they did send a reply. After receipt of the letter I went to see defendant, and asked her why she had wanted me to collect the deposit since she had agreed to sell the land to me. I am aware of provisions of clause 8 of agreement, and despite failure by defendant to obtain change of express condition I was still prepared to purchase land. In answer to my question defendant said she had not instructed her Solicitors to send me that letter. Defendant then said she would instruct her Solicitors to transfer the land to me. She asked me to wait for a few days, saying that she was not in need of the balance of the purchase price then. I waited a few days and then went to see her - 3 or 4 days later. Again she asked me to wait a few more days. In all I saw her 20 or 30 times about getting her to transfer the land to me. She kept on putting me off saying she did not need the balance just yet. 10 20

On 9.3.1966 I entered into another agreement with defendant - "AB" pages 20 to 22. Between the date of signing of the first agreement and that of the second agreement I gave her money, and she took goods from my shop on credit. 30

On 6.5.62 I gave her \$500/- towards purchase price of the land - "AB" page 6. Defendant also said that any amount she owed me for purchase of sundries would be set off against amount due from me on transfer of the land. I therefore allowed her to take goods on credit. 40

(Mr. Hoalim: It is agreed that in place of the sum of \$988.30 the sum of \$738.30 was received by defendant from 6.5.62 to 27.6.63).

Mr. Lee: I confirm.

I can't remember if I paid any further sum between the dates of the two agreements. On

9.3.66 I paid defendant \$1,000/-

EXHIBITS

A21
Notes of
Evidence in
Civil Suit
No.133 of
1966

29th March
1968

(continued)

The agreement of 1966 was signed because defendant came to me for more money and I told her we should sign an agreement before I would give her money. Also I wanted her agree to a time for transfer of the land. She asked me for the advance of \$1,000/-.

10 The agreement of 1966 was typed out in Mr. Oo Gin Sun's office. Since the latter was not in the Office, I took it for signature of another Advocate and Solicitor, Mr. Khoo Soo Eng, to sign it. I went to Mr. Oo's office and we asked a clerk to type out agreement based on the agreement of 1961. Both defendant and I gave instructions on what should be contained in that agreement.

20 At Mr. Oo's office, we went to see his Chief Clerk because he was not in. Defendant was accompanied by one of her grandsons (See Seng Cheong identified). We instructed the clerk in Oo's Office what to include in the agreement. As far as I can remember I instructed Oo's clerk to include a Clause that the land should be transferred to me within three months. I further instructed the clerk to exclude Clauses 4, 5 and 6 of the 1961 agreement because Clause 6 had been complied with and because change of express condition and approval of building by Town Council could not be obtained. Apart from these I asked the clerk to follow the terms of the old agreement.

30 The defendant accepted the terms which I suggested should be included in the agreement. The clerk read the agreement he drafted over to me. I objected to the repetition of Clauses 4, 5 & 6 of the 1961 agreement in the draft. I instructed the clerk to prepare another draft according to my instructions, but the defendant said that both agreements were alike and if it had to be redrafted it would take 3 to 4 hours. She promised to transfer the land to me within three months, and would disregard the other conditions, meaning those contained in Clauses 4, 5 & 6 of the 1961 agreement. She also said she would not make use of those three conditions.

40 I did not object to any other conditions apart from the three mentioned earlier. I can't remember the other terms of the agreement.

Since defendant agreed to disregard Clauses

EXHIBITS

A21

Notes of Evidence in Civil Suit No.133 of 1966

29th March 1968

(continued)

4, 5 & 6, I consider the remaining clauses binding upon us.

(Shown Clause 8 of 1966 agreement) - I had instructed the clerk to delete Clause 8 as well.

I intended this agreement, apart from the 4 conditions already mentioned to be binding upon us. It was executed in the presence of Mr. Khoo after it had been read over to us by Mr. Khoo.

After that I gave defendant \$1,000/-. The sum of \$13,309.45 was not paid that day. That sum is the total of the first deposit of \$9,000/- and all other payments I had made to her, including the \$1,000/- paid on that day. 10

On 23.5.66 my Solicitors, on instructions sent letter to defendant, but that was returned undelivered - "AB" page 23. Then on 27.7.66 my Solicitors again prepared letter - "AB" page 27, and I personally delivered both letters to defendant. Defendant failed to transfer land to me. When I went to see her she asked me to wait for a few days. From time I signed 1966 agreement until I filed these proceedings I saw her 20 or 30 times about this matter. She kept on asking me to wait for a few more days. I am still prepared to purchase the property without requiring her to perform the other conditions I have issued a cheque to my Solicitor with instruction to pay it over to defendant . I pray that the land be transferred to me - specific performance of the contract. 20 30

Itd. W.S.

Cross-examined:

I am a licensed moneylender apart from running sundry shop. I go to lawyer's firms to draw up agreements in respect of money lending. I also own land and have been to lawyers to draw up documents. No creditor has sued me, though I have taken action against debtors. I know lawyers' clerks. 40

A Malay broker accompanied defendant and I to Christie's Office to draw up 1961 agreement. This broker had gone to see defendant with me to talk about purchase of the land. The broker told me she wished to sell the land. That person (See Seng Chan identified) is known to me. I can't remember if he was present at time

of 1961 agreement was signed. One or two grandchildren of defendant was present. I handed the \$9,000/- to defendant who handed it to her son-in-law - not \$7,000/-. I did not retain \$2,000/- to be paid to the squatters, or say that part of the \$2,000/- was to be for legal fees. I paid legal fees for that day out of my own pocket.

EXHIBITS

A21
Notes of
Evidence
in Civil Suit
No.133 of
1966

29th March
1968

(continued)

10

The agreement of 1961 was read out to me. I understood contents and agreed. The sums paid to Chan Siew Guat, Mohamed Isa, Mohamed Lazim and Hamid were not paid out of any \$2,000/- I deducted. I paid these sums at lawyer's office, defendant having asked me to advance such payments. Defendant also instructed me to pay the balance when they vacated the land. I obtained receipts for these latter sums to enable me to claim from defendant. I did not ask for receipts for the first payments - but deny it is because they were paid with defendant's money. I say that my claim for 5.9.61 in my particulars in para.4 of my amended reply is correct. I paid the four persons \$1,100/- in all. I don't enter these payments in my account books though goods she takes from the shop would be entered in account books.

20

30

I can't remember date of final payment to Chan Siew Guat (refers to Exhibit P-1 - 20.3.62). This payment was made in Mr. Christie's office. Chan came to my office with the broker and told me she had removed. I took her to Christie's office. Defendant was not with me.

40

On 14.4.62 I paid \$1,100/- to the other three tenants, again at Christie's office. I can't remember if they came with the broker. Defendant was not present. She lived about 2 miles from my house. I went to her house before making those payments and she asked me to advance the payments. When the tenants told me they had removed their houses, it was one or two days before I took them to the lawyer. In intervening time I went to defendant for instructions. Up to the time Exhibits P-1 and P-2 were drawn up, Christie was acting for both defendant and I. The defendant agreed we should go to Christie - she said we could go to the lawyer who drew up the 1961 agreement. I did not intend to make her pay lawyer's fees.

50

Itd. W.S.
25.3.68

EXHIBITS

Adjourned to 10 a.m. on 26.3.68.

A21
Notes of
Evidence in
Civil Suit
No.133 of
1966

29th March
1968
(continued)

In Open Court
This 26th day of March 1968

Cross-examination - continues.

Refers to "AB" page 2 para.10 - I agreed to defray all expenditure with regard to transfer and applications for change of express condition. I paid a deposit of \$9,000/-, not \$7,000/-. I did not retain \$2,000/- towards part payment to the squatters. 10

Referred to "AB" page 18 - I believe I instructed Jayadeva & Zahir to reply to that letter. I can remember contents of para. 3 of "AB" page 18. I did not instruct Mr. Christie to write to Land Office as suggested in para.3. After receipt of letter on "AB" page 18, I went to see defendant. I realised that she had got another Solicitor. I can't say if defendant's denial of having instructed the latter was to put me off nor can I say if her request that I should wait a few days was merely a polite refusal to transfer her land. The request to take back deposit, I agree, was indication that defendant did not wish to transfer land. In spite of her repeatedly putting me off I had hopes she would still sell me the land. 20

I deny ever having offered her two cheques for balance due in 1963. Defendant was my customer before 1961. The \$500/- she borrowed from me in 1962 was before Land Office refused application for change of express condition. It is not correct that after Land Office refused I offered her no more credit. After August 1963 defendant had no more dealings with my shop. I visited defendant after August 1963. 30

Defendant is at least 60 to 70 years old. She appears to me to be in good health. She is not deaf. She speaks coherently. The last time I spoke to her was in January or February 1968. I was able to understand her. She was a coherent as she had been in 1966. 40

Defendant came with a grandson on day the 1961 agreement was executed. That is the grandson (See Seng Cheong identified). It is untrue that the latter came alone to see me

and asked for loan of \$1,000/-. I deny that I offered to make him the loan if he could get defendant to sell me the land. He did not say he would speak to his grandmother about it. He did return a day or two later to say she had agreed.

10 I asked him to bring the defendant to my shop so that we could go together to execute the document. When he came back with defendant I was present. I asked them to go to office of Solicitor, Oo Gin Sun. They proceeded thereto and I followed a little later. Defendant and I did discuss the terms of the 1966 agreement. A clerk took us into office of Mr. Oo Gin Sun. Mr. Oo was not in the Office. I didn't see him at all that day.

20 It was not Mr. Oo who asked me to go to see Mr. Khoo Soo Eng but his clerk who did so. I took the 1961 and the 1966 agreements to Mr. Khoo's office and we saw Mr. Khoo. The latter read the document over to us. No money was paid to Mr. Khoo, money being paid to Mr. Oo's clerk. The three of us returned to Mr. Oo's office and we paid \$30/- or \$40/-. No receipt was issued. I did not pay \$15/-. The \$1,000/- was paid to defendant at Oo's office. I did not deduct \$15/- from the \$1,000/- for legal fees.

30 It is untrue I gave all the instructions for preparation of 1966 agreement. Defendant and I discussed terms at my shop before going to Oo's Office. I don't know much about agreements. I don't know that slightest mistake in money lending agreements would make loan unenforceable. I know what is stated in agreement is binding on parties.

40 I objected to sign 1966 agreement but defendant asked me to accept it as drafted. If I had not signed the agreement there would be no proof that I had advanced a further \$1,000/- to defendant. I signed the agreement because defendant said that she would transfer the land to me anyway.

I agree that in a previous case I made her sign a receipt for \$500/-. ("AB" page 6). At time I gave her the \$1,000/- in March 1966 I trusted defendant and asked for no receipt. What I said about defendant's undertaking to transfer the land to me in any case is no afterthought.

EXHIBITS

A21
Notes of
Evidence
in Civil
Suit No.
133 of 1966

29th March
1968

(continued)

EXHIBITS

A21
Notes of
Evidence
in Civil Suit
No.133 of
1966

29th March
1968

(continued)

I do not know why none of the Solicitors had ever mentioned in their various correspondence about this matter to this promise by defendant. I have the title deed to the land which I now produce (Exhibit D-3 produced and identified).

Td. W.S.

RE-EXAMINED:

It is not true I withheld \$2,000/- out of the \$9,000/- said to be paid as deposit. Defendant's son-in-law counted the money. I don't know his name and have not seen him in Court precincts. Others present were Mr.Christie his clerk and the Malay broker, Ahmad (Ahmad bin Mohd. Nor identified).

10

The first payment to the squatters totalled \$1,100/- and this sum came out of my own pocket. Defendant's grandson came accompanied by defendant to see me about the advance of \$1,000/-. The grandson did not come alone for any purpose prior to that. Defendant said the \$1,000/- was to be further payment of the purchase price.

20

From the time I received letter saying application to change express condition had been refused to time when the 1966 agreement was signed, defendant kept on repeating that she was willing to sell the land to me. Apart from wishing to record payment of \$1,000/-, the 1966 agreement also contained Clause that the land would be transferred to me.

30

I am asking for specific performance of this agreement. I intended to regard the whole of the 1966 agreement as being binding upon me at the time it was signed.

Itd. W.S.

Mr. Hoalim Jr.

Incumbent upon plaintiff to amend. Order 19 - Mallal page 263. Plaintiff has departed from his pleadings - no case for defendant to meet - asking for Specific Performance of a **contract which does not exist** - unless there appropriate amendments - Action should be dismissed.

40

Itd. W.S.

Adjourned to 3.00 p.m.

Resumed:

Lee Cheng Keat:

Plaintiff wishes to discontinue - Order
26 rule 4 - applies for leave - agrees to pay
costs up to today.

Itd. W.S.

Mr. Hoalim Jr.

10 Order for costs up to today - judgment
on the counterclaim and costs of the counter-
claim.

Itd. W.S.

Order: Leave to discontinue granted.
Suit struck out with liberty to file
fresh proceedings.
Judgment for defendant on counterclaim.
Costs to defendant.

Exhibit P-1, P-1^T, P-2 and P-2^T and
documents referred to in Order of
Court of 16.7.67 to plaintiff.

20

Wan Suleiman J.
26.3.68

CERTIFIED TRUE COPY.

29.3.68

Sd.

Secretary to Judge,
High Court,
Alor Star.

EXHIBITS

A21
Notes of
Evidence
in Civil Suit
No.133 of
1966

29th March
1968

(continued)

Pleadings in
Alor Star High
Court Civil
Suit No. 114
of 1968

EXHIBITS

A22

WRIT OF SUMMONS
28th May 1968

A22

Writ of Summons
28th May 1968

IN THE HIGH COURT IN MALAYA AT ALOR STAR
CIVIL SUIT NO: 114 OF 1968

BETWEEN

Teoh Chai Siok Plaintiff

AND

Soh Tuan (f) Defendant 10

TAN SRI AZMI BIN HAJI MOHAMED, P.M.N., D.P.M.K.,
P.S.B., P.J.K., Chief Justice of the High Court
In Malaya in the name and on behalf of His
Majesty The Yang di-Pertuan Agong

To: Soh Tuan (f)
Batu 2, Jalan Langgar,
ALOR STAR, KEDAH

WE COMMAND you, that within eight (8) days
after the service of this Writ on you, inclusive
of the day of such service, you do cause an
appearance to be entered for you in an action
at the suit of Teoh Chai Siok, a sundry goods
shopkeeper, of No.53, Jalan Tunku Ibrahim,
Alor Star. 20

AND TAKE NOTICE, that in default of your
so doing the Plaintiff may proceed therein and
judgment may be given in your absence.

Witness, A. NADASAN, Assistant Registrar
of the High Court in Malaya at ALOR STAR the
28th day of May, 1968. 30

JAYADEVA ZAHIR & ISAH
Plaintiff's Solicitor

Sd: A. NADASAN
Assistant Registrar
High Court, Alor Star.

(L.S.)

N.B. - This Writ is to be served within twelve
months from the date thereof, or, if renewed,
within six months from the date of last renewal,
including the day of such date, and not
afterward.

The defendant (or defendants) may appear hereto 40

by entering an appearance (or appearances) either personally or by Solicitor at the Registry of the Supreme Court at ALOR SETAR.

A defendant appearing personally, may, if he desires, enter his appearance by post, and the appropriate forms may be obtained by sending a Postal Order for \$3.00 with an addressed envelope to the Registrar of the Supreme Court at ALOR SETAR.

Pleadings in
Alor Star High
Court Civil
Suit No.114
of 1968

EXHIBITS
A22
Writ of Summons
28th May 1968
(continued)

10

INDORSEMENT

The Plaintiff's Claim is for :-

20

(1) Specific Performance of the agreement of sale dated 9th day of March 1966 made between the Defendant of the one part and the Plaintiff of the other part; in that the Defendant do execute a registrable transfer of the piece of bendang/kampong land comprised in Surat Putus Kechik No. 14750 Portion No.336 in the Mukim of Alor Malai, District of Kota Setar unto the Plaintiff failing which the Assistant Registrar of this Court be empowered to execute such registrable transfer for and on behalf of the Defendant;

30

(2) In the alternative rectification of the said Agreement dated 9th March 1966 by the deletion of clauses 4, 5, 6 and 8 thereof and specific performance of the said Agreement so rectified with the necessary consequential orders;

(3) Further or in the alternative, damages for breach of contract;

(4) A declaration that the Plaintiff is entitled to a lien on the said land for his deposit together with interest thereon and any damages and costs awarded in this action;

40

(5) An injunction restraining the Defendant from transferring, leasing, charging or otherwise dealing in any way whatsoever with the said land;

(6) Such further or other relief as the Court may deem fit; and

(7) Costs.

A full Statement of Claim is accompanied

Pleadings in
Alor Star High
Court Civil
Suit No.114
of 1968

EXHIBITS
A22

Writ of Summons
28th May 1968
(continued)

herewith under the provisions of Order 3
rule 6 of the Rules of the Supreme Court,
1957.

Sd. JAYADEVA, ZAHIR & ISMI
Plaintiff's Solicitors.

This Writ was issued by Messrs. Jayadeva
& Zahir & Ismi whose address for service
is Bangunan Kerjasama (First Floor) Jalan
Langgar, Alor Setar, Kedah.

Solicitors said plaintiff who resides at
No.43 Jalan Tunku Ibrahim, Alor Setar, Kedah.

10

This Writ was served by me at Batu 2,
Jalan Langgar, Alor Setar on the defendant
Soh Tuan (f)
on Thursday, the 30th day of May 1968
at the hour of 1.45 p.m.

Indorsed this day of 1968.

(Signed) Abdul Rahman bin Hj.
Yusof

(Address) Process Server,
High Court, Alor Star

20

EXHIBITS
A23
STATEMENT OF CLAIM
28th May 1968

Pleadings in
Alor Star High
Court Civil
Suit No.114
of 1968

IN THE HIGH COURT IN MALAYA AT ALOR STAR
CIVIL SUIT NO: 114 OF 1968

EXHIBITS
A23
Statement of
Claim
28th May 1968

Between

Teoh Chai Siok

Plaintiff

And

10 Soh Tuan (f)

Defendant

STATEMENT OF CLAIM

(Accompanying the Writ of Summons herein
under the provisions of Order 3 Rule 6
of the Rules of the Supreme Court, 1957)

1. The Plaintiff is a sundry goods shopkeeper
carrying on business at No.53, Jalan Tunku
Ibrahim, Alor Setar, Kedah.

20 2. The Defendant is a widow residing at Batu 2,
Jalan Langgar, Alor Setar, Kedah and is the
registered proprietor of the piece of bendang/
kampong land comprised in Surat Putus Kechik
No. 14750 Portion No.336 situate in the Mukim of
Alor Malai, District of Alor Setar containing
the area of 7 relongs 268 jembas 00 square feet
(hereinafter referred to as "the said land").

30 3. On the 3rd day of September, 1961 the
Plaintiff and the Defendant entered into an
agreement in writing (hereinafter referred to
as "the First Agreement") wherein the Defendant
agreed to sell and the Plaintiff agreed to
purchase the said land for the consideration of
\$31,500/-. On the execution of the First Agree-
ment a sum of \$9,000/- was paid by the Plaintiff
to the Defendant as part payment towards the
purchase price of the said land.

4. It was a term of the First Agreement that
the Defendant should apply for and obtain Govern-
ment permission for the alteration of the
condition of tenure of the said land. An application

Pleadings in
Alor Star High
Court Civil
Suit No.114
of 1968

EXHIBITS

A23

Statement of
Claim

28th May 1968

(continued)

was accordingly submitted to the Collector of Land Revenue, Kota Setar on the 28th day of September, 1961, but on the 4th day of July, 1963 the said Collector replied that he was unable to consider the application as an objection was raised by the Agricultural Department.

5. The Plaintiff was however prepared, willing and ready to complete the purchase of the said land notwithstanding that such Government permission could not be obtained and/or that any responsibility and obligation on the part of the Defendant under the First Agreement could not be observed and performed. In spite of the Plaintiff relieving and releasing the Defendant from all obligations on her part to be performed under the First Agreement in connection with the term referred to in paragraph 4 herein, the Defendant failed and neglected to complete the sale of the said land to the Plaintiff.

10

20

6. Since the execution of the First Agreement various sums of money were advanced by the Plaintiff to the Defendant who also took sundry provisions on credit from the Plaintiff. The Plaintiff also advanced sums of money for and on behalf of the Defendant to the occupiers of the then existing four houses on the said land thereby effecting the removal thereof. The Defendant requested the Plaintiff to set off all moneys advanced and the cost of provisions against the balance of the purchase price of the said land.

30

Particulars of Advances and
cost of Provisions

- | | | | |
|-----|---|------------|----------|
| (1) | Total amount advanced to Madam Chan Siew Guat at request of Defendant | \$ 200-00 | |
| (2) | Total amount advanced to Mohammad Isa bin Hanafi, Mohammad Lazim bin Nustaffa and Hamid bin Mat at request of Defendant | \$2,100-00 | 40 |
| (3) | To cost of provisions sold and delivered to Defendant: | | |
| | (i) on 31.12.60 = \$109-25 | | |
| | (ii) on 19.6.61 = -90 | \$110-15 | |
| | (iii) on 17.6.62 = | \$ 49-30 | \$159-45 |
| | C/forward Total: | \$2,450-45 | |

	B/forward	\$2,459-45	Pleadings in Alor Star High Court Civil Suit No.114 of 1968
(4)	Amounts advanced to the Defendant on :		<u>of 1968</u>
	6.5.62 ...	\$500-00	EXHIBITS
	19.7.62 ...	\$ 50-00	A23
	4.8.62 ...	\$ 50-00	Statement of
	18.4.63 ...	\$ 20-00	Claim
	24.4.63 ...	\$ 80-00	28th May 1968
10	15.6.63 ...	\$ 50-00	(continued)
	22.6.63 ...	\$ 50-00	
	27.6.63 ...	<u>\$ 50-00</u>	
		\$ 850-00	
	TOTAL:	<u>\$3,309-45</u>	

7. On or about the 9th day of March, 1966 the Defendant approached the Plaintiff to pay her a further sum of \$1,000/- to account of the balance of the purchase price. It was then that an account was taken of all moneys already advanced to and the debt owing due by the Defendant which in the aggregate totalled \$3,309-45 as aforesaid.

20 8. It was thereafter agreed between the Plaintiff and the Defendant that the parties enter into a fresh agreement of sale of the said land and aggregating the sum of \$9,000/- already paid under the First Agreement dated 3rd September, 1961 and the aforesaid sum of \$3,309-45 together with the further sum of \$1,000/- to be paid on execution of the fresh agreement as part payment. The purchase price of the said land was agreed at \$31,500/-.

30 9. At the Defendant's insistence a fresh agreement embodying all the terms contained in the First Agreement dated 3rd September, 1961 except that the part payment of the purchase price be \$13,309-45 and the date of completion of sale be within three months, was on the 9th day of March, 1966 entered into between the Plaintiff and the Defendant for the sale of the said land upon the Defendant expressly agreeing and promising to disregard and not to implement, 40 enforce or in any way rely on clauses 4, 5, 6 and 8 of the said Agreement. The Plaintiff accordingly avers that he is entitled to rely on the said promise of the Defendant and will plead estoppel. On the execution of the fresh agreement aforesaid (hereinafter referred to as "the Second Agreement") the Plaintiff paid to the Defendant the said sum of \$1,000/-.

10. In accordance with the Second Agreement the

Pleadings in
Alor Star High
Court Civil
Suit No.114
of 1968

EXHIBITS
A23
Statement of
Claim
28th May 1968
(continued)

Plaintiff caused his Solicitors on the 23rd May, 1966 to serve on the Defendant a notice notifying the Defendant that he was ready and willing to complete the purchase of the said land notwithstanding that the Defendant has not complied fully with the obligation on her part to be performed thereunder and requiring the Defendant to complete the sale. But the Defendant since receipt of the said notice has failed and neglected to comply therewith. 10

11. On the 20th day of July, 1966 the Plaintiff again caused his solicitors to issue and serve on the Defendant a further notice requiring the Defendant to complete the sale of the said land within fourteen days. The Defendant refused to accept this notice which was returned by the postal authorities with the remarks "Unknown". However the Plaintiff thereafter on the 30th day of July, 1966 personally serve the said notice on the Defendant accompanied by another notice dated 29th July, 1966 requiring the Defendant to complete the sale of the said land within fourteen days. 20

12. The Plaintiff further avers that no application for the change of condition of tenure of the said land was submitted by the Defendant at any time after the execution of the Second Agreement or at all. 30

13. The Plaintiff has been at all material times and is still ready, willing and able to complete the purchase of the said land without the Defendant having to comply with or perform the obligations on her part under the Second Agreement.

14. In spite of repeated requests by the Plaintiff and in breach of the Second Agreement the Defendant has neglected and refused and continues to neglect and refuse to take any steps towards completion of the Second Agreement for sale. 40

WHEREUPON the Plaintiff claims :-

- (1) Specific performance of the agreement of sale dated 9th day of March, 1966 made between the Defendant of the one part and the Plaintiff of the other part, in that the Defendant do execute a registrable transfer of the piece of bendang/kampong

land comprised in Surat Putus Kechik No.14750 Portion No.336 in the Mukim of Alor Malai, District of Kota Setar unto the Plaintiff failing which the Assistant Registrar of this Court be empowered to execute such registrable transfer for and on behalf of the Defendant;

Pleadings in
Alor Star High
Court Civil
Suit No.114
of 1968

EXHIBITS
A23

Statement of
Claim
28th May 1968
(continued)

10

(2) In the alternative rectification of the said Agreement dated 9th March, 1966 by the deletion of clauses 4, 5, 6 and 8 thereof and specific performance of the said Agreement so rectified with the necessary consequential orders;

(3) Further or in the alternative, damages for breach of contract;

20

(4) A declaration that the Plaintiff is entitled to a lien on the said land for his deposit together with interest thereon and any damages and costs awarded in this action;

(5) An injunction restraining the Defendant from transferring, leasing, charging or otherwise dealing in anyway whatsoever with the said lands;

(6) Such further or other relief as the Court may deem fit; and

(7) Costs.

Delivered this 28th day of May, 1968

Sd. Jayadeva, Zahir & Ismi

30

Address for service of the Plaintiff is care of Messrs. JAYADEVA, ZAHIR & ISMI, Advocates & Solicitors, of Bangunan Kerjasama (First Floor) Jalan Langgar, Alor Setar, Kedah, Solicitors for the Plaintiff abovenamed.

Pleadings in
Alor Star High
Court Civil
Suit No.114
of 1968

EXHIBITS
A24

Requisition for
further and
better parti-
culars

26th June ,
1968

EXHIBITS
A24

REQUISITION FOR FURTHER AND
BETTER PARTICULARS -
26th June 1968

G.H.GOH & CO.
Advocates & Solicitors
Commissioner for Oaths
Telephone No.: 22588

GUAN HO GOH (J.M.N.,
M.B.E., E.D.)

201 O.C.B.C. Building,
Beach Street, Penang,
Malaysia.

10

Legal Assistants:
Phillip Hoalim Jr.

26th June, 1968

W.A. Goh

Our ref: PH/AL/129/68/1037
Your ref: AJ/LLH/LPK/68

Dear Sirs,

Alor Star High Court Civil
Suit No. 114/1968

The defendant requires the following
Further and Better Particulars of the
Statement of Claim filed and delivered on 28th
May, 1968.

20

Under Paragraph 6

The date, place, time and nature of the
request by the defendant to set off all
moneys advanced and costs of provisions
against the balance of the purchase price
of the land.

If in writing, let us have a copy of the
written document?

30

If orally made, let us have also the name
or names of the persons present when the
request was made.

Under Paragraph 7

The place, time, date, nature and circum-
stances of the approached made by the defendant
to the plaintiff to pay her a further sum of
\$1,000/- to account of the balance of the
purchase price.

40

If in writing, let us have a copy of the written document.

If made orally, let us have also the name or names of the persons present when the approached was made.

Under Paragraph 8

10 Place, time, date and nature of the agreement made between the Plaintiff and the defendant that the parties entered into a fresh agreement of Sale and aggregating the sum of \$9,000/- and the sum of \$3,309.45 together with the further sum of \$1,000/-.

If the agreement is in writing let us have a copy of the written document?

If oral, then the name or names of the persons present when the agreement was made.

Under Paragraph 9

The date, time, place and nature of the "Defendant's insistence"

20 If in writing, let us have a copy of the written document?

If orally then let us have also the name or names of the persons present at the time.

The nature of the Defendant's express agreement and promise to disregard and not to implement, enforce or anyway reply of Clauses 4, 5, 6 and 8 of the agreement dated 9th March, 1966.

If in writing, let us have a copy of the written document?

30 If oral, let us know the place, date, time, circumstances and the persons present when the agreement and promise was made?

On receipt of these particulars we shall file our clients defence. In the circumstances we would request time to 14 days after the filing of the Particulars as our Phillip Hoalim who is in charge of this matter would be away in Kuala Lumpur for 10 days from 30th June.

40 Yours faithfully,
Sgd. G.N. Goh & Co.

Pleadings in
Alor Star High
Court Civil
Suit No.114
of 1968

EXHIBITS

A24

Requisition for
further and
better particu-
lars

26th June 1968

(continued)

Pleadings in
Alor Star High
Court Civil
Suit No.1 4
of 1968

Jayadeva, Zahir & Ismi,
Advocates & Solicitors,
Bangunan Kerjasama,
Jalan Langgar,
Alor Star,
Kedah.

EXHIBITS

A24

Requisition for
further and
better particu-
lars

26th June 1968

(continued)

EXHIBITS

A25

Further and
Better Parti-
culars of
Statement of
Claim

10th July
1968

EXHIBITS

A25

FURTHER AND BETTER PARTICULARS
OF STATEMENT OF CLAIM - 10th
July 1968

10

IN THE HIGH COURT IN MALAYA AT ALOR SETAR
CIVIL SUIT NO: 114 OF 1968

Between

Teoh Chai Siok

Plaintiff

And

Soh Tuan (f)

Defendant

FURTHER AND BETTER
PARTICULARS OF THE
STATEMENT OF CLAIM

20

(Delivered pursuant to the Defendant's
Solicitors' letter dated 26th June, 1968)

The following are the particulars of
the Statement of Claim :-

Under Paragraph 6

The Defendant made the request orally
on the 9th March, 1966 at about 9.00 a.m.
at the Plaintiff's shop.

The Defendant made the request in the
presence of her grandson, See Seng Cheong.

30

Under Paragraph 7

The Defendant and the said See Seng Cheong

called on the Plaintiff on the 9th March, 1966 at about 9.00 a.m. at the Plaintiff's shop and verbally requested the Plaintiff to pay her a further sum of \$1,000/- to account of the balance of the purchase price of the land. Except for the Defendant the said See Seng Cheong and the Plaintiff and no other persons were present.

Pleadings in
Alor Star High
Court Civil
Suit No.114
of 1968

EXHIBITS
A25

Further and
Better Particu-
lars of
Statement of
Claim

10th July
1968

(continued)

Under Paragraph 8

10 The Defendant with the said See Seng
Cheong and the Plaintiff had a discussion
at the Plaintiff's shop on 9th March, 1966
at about 9.00 a.m. During the discussion it
was orally agreed that the Plaintiff and the
Defendant enter into a fresh agreement of
sale of the said land and aggregating the sum
of \$9,000/- and the sum of \$3,309.45 together
with the further sum of \$1,000/- to be paid on
20 the execution of the fresh agreement. The
fresh agreement of Sale in writing dated the
9th day of March, 1966 was executed by the
parties and a duplicate stamped copy of the
said Agreement in writing had already been
delivered to the Defendant by her Solicitor
Mr. Ol Gin Sun.

Under Paragraph 9

- 30 A. On 9th March, 1966 at about 10.00 a.m.
at the Office of Mr. Oo Gin Sun, an
Advocate and Solicitor the Defendant
verbally insisted on the fresh agreement
of sale of the land being drawn up
embodying all the terms contained in the
First Agreement except as to the amount
of the deposit and the completion date.
- 40 B. On the same date at the office of Mr.
Oo Gin Sun the Defendant orally agreed
and promised to disregard and not to
implement and enforce or in any way rely
on clause 4, 5, 6 and 8 of the said
Agreement.

The Defendant's grandson, See Seng Cheong
was present at the time.

Delivered this 10th day of July, 1968.

Sgd. Jayadeva, Zahir & Ismi
Plaintiff's Solicitors.

Pleading in
Alor Star High
Court Civil
Suit No.114
of 1968

EXHIBITS
A26
STATEMENT OF DEFENCE AND
COUNTERCLAIM - 23rd July 1968

EXHIBITS
A26
Statement of
Defence and
Counterclaim
23rd July 1968

IN THE HIGH COURT IN MALAYA AT ALOR SETAR
CIVIL SUIT NO. 114 OF 1968

Between

Teoh Chai Siok Plaintiff

And

Soh Tuan (f) Defendant 10

STATEMENT OF DEFENCE AND COUNTERCLAIM

D E F E N C E

1. The Defendant admits paragraphs 1, 2 and 4 of the Statement of Claim.
2. The Defendant admits paragraph 3 of the Statement of Claim except to say that she received \$7,000/- on the execution of First Agreement and not \$9,000/- as alleged. The \$2,000/- was kept by the Plaintiff to pay off the squatters. 20
3. The Defendant denies paragraph 5 of the Statement of Claim and further says that the alteration of the condition of the tenure of the said land was a condition precedent in the said Agreement and with the refusal by the Collector of Land Revenue, Kota Star, Kedah, to alter the condition of tenure the agreement became void and of no effect.
4. The Defendant denies the whole of paragraph 6 of the Statement of Claim except to say that after the signing of the 1st Agreement the Defendant did become a Customer of the Plaintiff's Sundry provision shop taking goods on Credit. The credit facilities were stopped by the Plaintiff when he was informed that the Collector had refused to alter the condition of tenure of the land. 30
5. The Defendant denies paragraph 7, 8, 9 of the Statement of Claim and states that the thumb-printed the alleged Agreement 40

dated the 9th March, 1966 under a total mistake as to its nature and contents and in the bona fide belief that she was thumb-printing a document of a wholly different kind.

Pleadings in
Alor Star High
Court Civil
Suit No.114
of 1968

EXHIBITS
A26

Statement of
Defence and
Counterclaim

23rd July 1968

(continued)

- 10 6. SAVE that the Defendant admits receiving two letters from the Plaintiff's solicitors the Defendant has no knowledge of what is stated in paragraphs 10, 11, 13 and 14 of the Statement of Claim.
7. As to paragraph 12 of the Statement of Claim the Defendant repeats paragraph 5 of her defence herein.
8. In addition to and/or in the alternative the Defendant repeats paragraph 5 of her defence herein and further says :-
- 20 (a) that the agreement dated the 3rd September, 1961 and the alleged agreement dated 9th March, 1966 are identical in every respect as to date, part payment of the purchase price and date of completion and both were subject to certain conditions which if not performed rendered the respective agreements void and of no effect.
- 30 (b) By clause 4 of both agreements it was a condition precedent to the performance of the respective contracts that the Defendant should apply for and obtain permission to alter the condition of tenure of the said land so that the said land could be used exclusively for the purpose of erecting dwelling houses thereon.
- (c) In September 1961 the Plaintiff applied to the Collector of Lands Kota Star, Alor Star, Kedah for permission to alter the condition of tenure of the said land.
- 40 (d) On the 4th July, 1963 the application was refused and on the same day the Plaintiff was informed of the refusal to alter the tenure of the said land and was requested to take back his deposit.
- (e) Paragraph 8 of the respective agreements provided that on failure to obtain the required approval of the appropriate authority to alter the tenure of the said

Pleadings in
Alor Star High
Court Civil
Suit No.114
of 1968

EXHIBITS
A26
Statement of
Defence and
Counterclaim
23rd July 1968
(continued)

land, the said "agreement shall then thereafter be treated as void and of no effect."

(f) On signing of the 1961 agreement the Defendant handed grant S.P.K. No.14750 Mukim of Alor Malai, Kota Star, Kedah the title to the said land to the Plaintiff.

9. Save as herein admitted, the Defendant denies each and every allegation contained in the Statement of Claim as if the same were herein set out and seriatim traversed.

10

COUNTERCLAIM

By way of Counterclaim the Defendant repeats the facts alleged in paragraph 1 to 9 of her Defence.

The Defendant counterclaims for :-

(1) The return to the Defendant forthwith of the Grant Surat Putus Kechik No.14750, Mukim Alor Malai, Kota Star District, Kedah, handed to the Plaintiff by the Defendant on 3rd September, 1961.

20

(2) Further and other relief.

(3) Costs.

DELIVERED this 23rd day of July, 1968.

Sgn. G.H.Goh & Co.

Solicitor for the Defendant
above-named

EXHIBITS
A27

REPLY AND DEFENCE TO
COUNTERCLAIM - 28th
August 1968

Pleadings in
Alor Star High
Court Civil
Suit No.114
of 1968

IN THE HIGH COURT IN MALAYA AT ALOR SETAR
CIVIL SUIT NO: 114 OF 1968

EXHIBITS
A27
Reply and
Defence to
Counterclaim
28th August
1968

Between

Teoh Chai Siok

Plaintiff

And

Soh Tuan (f)

Defendant

10

REPLY and DEFENCE TO COUNTERCLAIM

1. The Plaintiff joins issue with the Defendant on her Defence save in so far as the same consists of admissions.

20

2. In further answer to paragraph 2 of the Defence, the Plaintiff denies that the sum paid on the execution of the First Agreement was \$7,000/- and that the sum of \$2,000/- was kept by the Plaintiff to pay off the squatters and reiterates that he paid to the Defendant the sum of \$9,000/- in cash on the execution of the First Agreement and the Defendant duly acknowledged receipt thereof therein.

3. In further answer to paragraph 8 of the Defence the Plaintiff repeats paragraphs 7 to 14 of the Statement of Claim.

DEFENCE TO COUNTERCLAIM

30

4. The Plaintiff repeats his Statement of Claim and paragraphs 1 to 3 herein.

5. The Plaintiff admits he received the Grant but avers that the Defendant is not entitled to the return thereof as he has been at all material times and is ready, willing and able to complete the purchase of the said land and is accordingly lawfully entitled to retain the said Grant.

6. The Defendant is accordingly not entitled to the relief claimed or at all.

Pleadings in
Alor Star High
Court Civil
Suit No.114
of 1968

Delivered this 28th day of August, 1968.

Sgn. Jayadeva, Zahir & Ismi
Solicitor for the Plaintiff

EXHIBITS

A27

Reply and
Defence to
Counterclaim

28th August
1968

(continued)

EXHIBITS

A28

Grounds of
Judgment in
Civil Suit
No.133 of 1966

22nd May 1968

EXHIBITS

A28

GROUNDS OF JUDGMENT IN
CIVIL SUIT NO. 133 of 1966
22nd May 1968

IN THE HIGH COURT IN MALAYA AT ALOR STAR
KEDAH CIVIL SUIT NO. 133 of 1966

10

Teoh Chai Siok

PLAINTIFF

v.

Soh Tuan (f)

DEFENDANT

GROUNDS OF JUDGMENT

The Plaintiff in this case sought specific performance of an agreement between him and the Defendant wherein the defendant agreed to sell a piece of bendang land at the price of \$31,500/-, subject to certain conditions.

20

The defendant in her amended Statement of Defence, whilst admitting that there was such an agreement contended that it was subject to certain conditions which if not performed rendered the agreement null and void. This amended statement of defence included a counterclaim which reads as follows :-

"Counterclaim"

" By way of counterclaim the defendant

30

repeats paragraphs 1, 2, 3, 4, 5, 6, 7, 8
abovementioned and claim that:

(1) The plaintiff return to the defendant
forthwith the Grant Surat Putus
Kechik No.14750, Mukim Alor Malai, Kota
Star District, Kedah, handed to the
plaintiff by the defendant on the
3rd September, 1961."

EXHIBITS

A28
Grounds of
Judgment in
Civil Suit
No.133 of 1966
22nd May 1968
(continued)

10 After plaintiff, Teoh Chai Siok, had
adduced evidence, it became abundantly clear
that he had departed from his pleadings, and
was, as Mr. Hoalim Jr. rightly submitted,
asking for the Specific Performance of a
contract which does not exist.

20 Mr. Lee Cheng Keat, for the plaintiff,
then applied for leave to discontinue agreeing
to pay costs. Mr. Hoalim Jr. whilst not
opposing the application asked for judgment
on the counterclaim and the costs of the
counterclaim.

30 Since the plaintiff's application was made
after the receipt of the defendant's defence
during the course of the trial, the second limb
of Order 26 rule 1 would apply, and the words
"upon such terms as to costs, and as to any
other action, and otherwise as may be just, order
the action to be discontinued....." appears to
me, in the circumstances sufficient authority
to enable me to make what I consider a just
order i.e. to order the plaintiff to return to
the defendant the grant referred to in prayer 1
of the counterclaim.

Sgd.Wan Suleiman
(WAN SULEIMAN)
JUDGE,
HIGH COURT OF MALAYA.

Alor Star,
22nd May, 1968

EXHIBITS

A29

Letter from
Taxpayer's
solicitors
Jayadeva, Zahir
& Ismi to
Sharikat Goh
Guan Hoe dated
9th April 1970

EXHIBITS

A29

LETTER FROM TAXPAYER'S
SOLICITORS JAYADEVA, ZAHIR
& ISMI TO SHARIKAT GOH
GUAN HOE dated 9th April 1970

JAYADEVA, ZAHIR & ISMI
Advocates & Solicitors)

Bangunan Kerjasama
(Tingkat Pertama)
Jalan Langgar, Alor Star,
Kedah, MALAYSIA.

10

Tel: Pejabat Alor Star:
376 & 1313
Penang: 62658

AJ/LPK/NK/-244/1970

9th April, 1970

Messrs. Sharikat Goh Guan Hoe,
Advocates & Solicitors,
PENANG.

Without Prejudice

20

Dear Sirs,

Re: Alor Star High Court
Civil Suit No.114/1968
Teoh Chai Siok vs: Soh Tuan(f)

We refer you to the Statement of Claim
and the Defence filed in the above suit. In
accordance with clause 2 of the Agreement of
Sale dated 9.3.66 the balance of the
purchase price for the land due to your
client is \$18,190.55.

30

Particulars

(1) to Purchase Price	\$31,500.00
(2) to amount paid before the execution of the Agreement of Sale	<u>\$13,309.45</u>
Balance due:	<u><u>\$18,190.55</u></u>

We are informed by our client that your
client wants to sell a small portion of the
land to Tun Syed Sheh Barakbah at the price
of \$3,000/-. Our client states that he is
agreeable to the sale of the small portion of
the land by your client to Tun Syed Sheh

40

Barakbah on condition that the remainder of the said land is transferred to our client. The transfer is to be effected to Tun Syed Sheh Barakbah and our client in undivided shares without conversion of the conditions of the title.

EXHIBITS

A29
Letter from
Taxpayer's
solicitors
Jayadeva, Zahir
& Ismi to
Sharkat Goh
Guan Hoe dated
9th April 1970
(continued)

10

Our client offers to pay to your client the sum of \$22,000/- as an out of Court settlement. The said sum of \$22,000/- is made up as follows :-

(1) to the balance of purchase price due to your client as aforesaid	\$18,190.55
(2) to additional payment to your client	<u>\$ 3,809.45</u>
	<u><u>\$22,000.00</u></u>

Your client can retain the sum of \$3,000/- paid by Tun Syed Sheh Barakbah for the small portion of the land.

20

Your client is to apply to Court for the approval of the settlement and give a registrable transfer of the said land to Tun Syed Sheh Barakbah and our client in undivided shares. Our client will bear the stamp duty and legal charges and registration fees of the transfer.

Each party to bear his or her own costs of the suit.

30

Please let us have an early reply as to whether the above terms are acceptable to your client.

Yours faithfully,

Sd.

EXHIBITS

A30
Consent Order
11th July 1971

EXHIBITS

A30
CONSENT ORDER - 11th
July 1971

IN THE HIGH COURT IN MALAYA AT ALOR STAR
CIVIL SUIT NO. 114 of 1968

Between

Teoh Chai Siok Plaintiff

And

Soh Tuan (f) 10
(by Lee Ah Koi her guardian-
ad-litem as per Order of
Court dated 24.9.70) Defendant

BEFORE THE HON'BLE MR. JUSTICE SYED AGIL
bin SYED HASSAH BARAKBAH JUDGE, MALAYA

IN CHAMBERS

THIS 11TH DAY OF JULY 1971

O R D E R

UPON the application of the Plaintiff
abovenamed made this day by way of Summons- 20
in-Chambers dated the 7th day of July, 1971
in the presence of Mr. A.Jayadeva of Counsel
for the Plaintiff and Mr. Philip Hoalim Jr.
of Counsel for the Defendant AND UPON READING
the Summons-in-Chambers and the affidavit of
the Plaintiff affirmed and filed herein on
the 7th day of July, 1971 and the exhibit
therein referred to AND UPON HEARING what
was alleged by both Counsel aforesaid and by
consent IT IS ADJUDGED AND ORDERED as follows: 30

- (1) that specific performance of the
Agreement of Sale dated the 9th day
of March, 1966 made between the
Defendant and the Plaintiff for
the sale of the land held under
Surat Putus Kechik No.14750 Portion
No.336 situate in the Mukim of Alor
Malai, District of Kota Star, Kedah
be and is hereby ordered upon payment
by the Plaintiff to the Defendant of 40
the sum of \$27,500/- to complete the
purchase thereof.

EXHIBITS

A30
Consent Order
11th July
1971
(continued)

- 10 (2) that the said Lee Ah Koi as the Guardian-ad-litem of the Defendant be and is hereby authorised to execute the transfer of the said land held under Surat Putus Kechik No.14750 Portion No. 336 situate in the Mukim of Alor Malai, District of Kota Star, Kedah on behalf of the Defendant in favour of the Plaintiff as the purchaser of the said land under the said agreement.
- (3) that on the execution of the transfer of the said land the Plaintiff do pay to the said Lee Ah Koi the sum of \$27,500/- to complete the purchase of the said land.
- (4) that the receipt signed by the said Lee Ah Koi be a valid discharge for the said sum of \$27,500/- paid by the Plaintiff.
- 20 (5) that the Registering Authority do register the transfer of the said land executed by the said Lee Ah Koi as the Guardian-ad-litem and on behalf of the Defendant.
- (6) that each party do pay his own solicitors' costs of this suit.

GIVEN under my hand and the seal of the Court this 11th day of July, 1971.

BY ORDER,

Sgd.

ASSISTANT REGISTRAR
HIGH COURT, ALOR STAR.

EXHIBITS

A31
Letter from
Pejabat
Penilaian
Negeri to
Taxpayer's
solicitors
8th August
1971

EXHIBITS

A31
LETTER FROM EJABAT
PENILAIAN NEGERI TO
TAXPAYER'S SOLICITORS
8th August 1971

TRANSLATION

Valuation Department,
Kedah/Perlis,
Bangunan Malayan Bankin 10
(2nd Floor)
Jalan Pekan Melayu,
Alor Setar.

Date: 8.8.1971

Messrs. Jayadeva & Zahir,
Advocates & Solicitors,
Bangunan Kerjasama (1st Floor),
Jalan Langgar, Alor Setar.

Dear Sirs,

Re: Stamp Duty

20

I have been asked by the Collector of
Stamp Duty to value the property mentioned
below on 27.7.1971.

The properties have been examined and
the value as stated below have been reported
to the Stamp Duty Department on 8.8.1971.

Valuation:

Lot 336 SPK. 14750 Mukim Alor Malai,
Kota Setar \$113,000/-

Please acknowledge receipt.

30

Your obedient servant,
Sd.

(Mahmud bin Hashim)
State Valuation Officer,
Kedah/Perlis

Translation No.PC/1/29 Folio - Fees \$ -
Translated by (Sgd) Illegible

A Sworn Interpreter,
Supreme Court, Penang 11/8/29
Malaysia

40

EXHIBITS
A32

LETTER FROM PEJABAT CHUKAI
SETEM TO TAXPAYER'S SOLICITORS
9th August 1971

EXHIBITS

A32
Letter from
Pejabat
Chukai Setem
to Taxpayer's
solicitors
9th August
1971

10 Our ref: (23) dlm.PCS.
11/69 Pt.11
Your ref: AJ/LPK

Stamp Office,
Inland Revenue Department,
Limbong Kapal,
Peti Surat Pos.88
Alor Setar, Kedah

Date: 9th August 1971

Messrs. Jayadeva & Zahir,
Advocates & Solicitors,
Bangunan Kerjasama (Tingkat Pertama)
Jalan Langgar, Alor Setar

Tuan,

Pindah Milek Tanah Surat Putus
Kechik No.14750 Lot 336 Mukim
Alor Malai, Kota Setar

20 I have to inform you that the consideration
stated in the above mentioned transfer of land
has been accepted by the Regional Valuation
Officer, Kedah/Perlis.

Stamp duty chargeable on the transfer deed
is therefore \$1,130.00.

30 As such, I shall be pleased if you will
let me have Malaysian stamps to the value of
\$1,130.00 or call at the office together with
stamps to be affixed to the transfer deed for
impression by this office within fourteen (14)
days from the date of service of this letter
vide Section 40 of the Stamp Ordinance 1949.
This letter should be returned to this
Department.

Yang benar,
Sd.

Dy. Collector of Stamp Duties,
Alor Setar.

40 Translation No.PC/1/79 Folio - Fees \$ -
Translated by Sd.
A Sworn Interpreter 11/8/79
Supreme Court, Penang,
Malaysia

EXHIBITS

A33

Transfer from
Soh Tuan to
Taxpayer

10th August
1971

EXHIBITS

A33

TRANSFER FROM SOH TUAN TO
TAXPAYER - 10th August 1971

National Land Code
Form 14A
(Sections 215, 217, 218)

TRANSFER OF LAND, SHARE OR LEASE

(Stamps to be affixed - or payment of duty
certified in this space 10

FOR REGISTRY USE

Memorial of registration made
in the register Document/s of Title
scheduled below, with effect from
9-30 a.m. on the 10th day of August
1971.

File of -
Transfer
Volume 124
Folio 47
Presentation
No.2142/1971

(LS) Sd.....
Registrar
District Kota Setar.

I, SOH TUAN (F) (K/P No. 2751615)..... 20
of Batu Dua, Jalan Langgar, Alor Star,
Kedah..... proprietor of the land/
~~undivided-share-in-the-land-lessee/sub-lessee~~
~~under-the-lease/sub-lease~~ described in the
schedule below:

(a) In consideration of the sum of
Dollars Forty thousand eight hundred
and nine and cents forty-five
(\$40,809-45)
the receipt of which sum I hereby 30
acknowledge;

(b) ~~In-consideration-of~~
Pursuant to Order of High Court,
Alor Star, dated..... July 1971
in Civil Suit No.114 of 1968

(c) ~~For-no-consideration~~

Hereby transfer to the transferee/s named below
all such title or interest as is vested in me.

Dated this 27th day of July 1971

Sd.....
(By Lee Ah Koi, K.P.No.
1903200) as Guardian-Ad-Litem

EXHIBITS

A33
Transfer from
Soh Tuan to
Taxpayer

10th August
1971

(continued)

Signature (or other form of
execution) by or on behalf of
transferor.

10 I, Philip Hoalim Jr. an Advocate and Solicitor
of the High Court of Malaya practising in
Penang hereby testify that the above signature
was written in my presence this 27th day of
July 1971 and is according to my own personal
knowledge, the true signature of Lee Ah Koi
as 'Guardian-ad-Litem' who has acknowledged
to me,

- (i) that he/she is of full age.
- (ii) that she has voluntarily executed this
instrument, and
- (iii) that she understands the contents and
effect thereof.

20 As witness my hand this 27th day of July 1971.

Sd. Philip Hoalim (Jr).

Signature. Solicitor,
Penang.

I, TEOH CHAI SIOK (K.P.No.1903389).....
of No.53 Jalan Tunku Ibrahim, Alor Star,Kedah....
accept this transfer.

Sd.Teoh Chai Siok (In
Chinese)

30 Signature (or other form
of execution) by or on
behalf of transferee)

I, A. JAYADEVA, an Advocate and Solicitor of the
High Court of Malaya practising in Alor Star,
hereby testify that the above signature was
written in my presence this 4th day of August 1971
and is according to my own personal knowledge,
the true signature of Teoh Chai Siok who has
acknowledged to me,

- 40
- (i) that he is of full age,
 - (ii) that he has voluntarily executed this
instrument, and
 - (iii) that he understands the contents and
effect thereof.

As witness my hands this 4th day of August 1979.

Sd. A. Jayadeva
Advocate & Solicitor, Alor Star.
Signature.

EXHIBITS

A33
Transfer from
Soh Tuan to
Taxpayer

10th August
1971

(continued)

(Where the address of the person claiming under this instrument is outside the Federation, an address within the Federation, for the service of notices is to be added in this space).

SCHEDULE OF LAND AND INTEREST

Mukim	Lot	Description of No. of Title	Share of land (if any)	Registered No. of lease/sub-lease (if any)	Registered No. of charge (if any)
(1)	(2)	(3)	(4)	(5)	(6)
Mukim ALOR MALAI	No. Lot 336	Surat Putus Kechik No. 14750	Whole	Nil	Nil

One Title Only

Sd. A.Jayadeva
Advocate & Solicitor
Alor Star.

Paddy Land.

Area: 5 acres 1 rood 19 poles (7 rel.266 jem).

Transaction No. PC/1/79 Folio - Fees \$ -
Translated by Sd.

A Sworn Interpreter,
Supreme Court, Penang.
Malaysia

11/8/79

EXHIBITS

A34

COPY OF LETTER FROM AKITEK
ANTARA TO LAND OFFICE
20th October 1971

EXHIBITS

A34

Copy of letter
from Akitek
Antara to
Land Office
20th October
1971

TRANSLATION

20th October, 1971

10 The Land Officer,
Land Office,
Alor Setar,
Kedah.

Dear Sir,

Re: A scheme for 60 single storey
terrace houses on Lot 336,
Mukim of Alor Malai, District
of Kota Setar, Kedah, for
Mr. Teoh Chai Siok

20 With reference to the above matter, we
file herewith Form X in duplicate and 8 copies
of site plan in order to obtain your approval
to convert the condition of use of land from
padi field to residential area.

We hope that you will take immediate
action in respect of our application.

That is all for your information. Thank you.

Yours faithfully,

Sd Illegible

Translation No. PC/1/79 Folio -- Fees \$ --

Translated by Sd.

30 A Sworn Interpreter,
Supreme Court, Penang
Malaysia

11/8/79

EXHIBITS

A35

Letter from
Pemungut Hasil
Tanah, Kota Star
to Teoh Chai Siok

9th April 1972

EXHIBITS

A35

LETTER FROM PEMUNGUT HASIL
TANAH, KOTA STAR TO TEOH
CHAI SIOK - 9th April 1972

TRANSLATION

(6) dlm PTKS. 91/1971/E Land Office Kota Setar,
Alor Setar.

9th April, 1972

Mr. Teoh Chai Siok, 10
c/o No.53 Jalan Tunku Ibrahim,
Alor Setar.

Application for conversion of
use of land for SPK.14750 (Lot 336)
Mukim Alor Malai

With reference to the above matter, it
has been found that the said land has been
charged to The Malayan Banking, Alor Setar. As
such before the application for conversion of
this land can be carried further, you are 20
requested to forward to this office a Consent
from The Malayan Banking, as the Chargee, to
permit you to make a conversion of land from
padi field to residential area.

That is all for your information and kindly
acknowledge receipt.

Your obedient servant,
Sd.

(Md. Saad bin Endut, B.C.C.) 30
Collector of Land Revenue,
Kota Setar.

Translation No.PC/1/79 Folio - Fees \$ -
Translated by Sd.

A Sworn Interpreter
Supreme Court, Penang
Malaysia 11/8/79

EXHIBITS
A36

COPY OF LETTER FROM MALAYAN
BANKING TO PEMUNGUT HASIL
TANAH, KOTA STAR - 15th
April 1972

EXHIBITS
A36

Copy of Letter
from Malayan
Banking to
Pemungut Hasil
Tanah, Kota
Star

TRANSLATION

15th April

Malayan Banking Berhad, 1972
Alor Star Main Branch,
Jalan Sultan Badlishah,
Alor Star, Kedah,
Malaysia

15th April, 1972

The Collector of Land Revenue,
Land Office,
Kota Setar,
Kedah.

Tuan,

Re: Application for the conversion
of Land SPK. No.14750 (Lot 336)
Mukim Alor Malai

With reference to your letter No.(6) dlm.
PTKS.91/1971/E dated 9th April, 1972, addressed
to Encik Teoh Chai Seok, No.53 Jalan Tunku
Ibrahim, Alor Setar, this is to inform you
that we, the Chargee, registered under No.2187/1971
hereby consent Teoh Chai Seok to change the use
of the said land from padi field to residential
area on the condition that the Charge will not
be a hindrance or be discharged due to the
conversion.

That is all for the information.

Yours faithfully,
Sd. Illegible

c.c. Mr. Teoh Chai Seok,
No.53 Jalan Tunku Ibrahim,
Alor Star.

Translation No.PC/1/79 Folio - Fees \$ -

Translated by Sd.

A Sworn Interpreter
Supreme Court, Penang
Malaysia

11/8/79

EXHIBITS

A37

Copy of letter
from Akitek
Antara to
Pemungut Hasil
Tanah, Kota
Star

1st June 1972

EXHIBITS

A37

COPY OF LETTER FROM AKITEK
ANTARA TO PEMUNGUT HASIL
TANAH, KOTA STAR - 1st June
1972

1st June, 1972

(6) dlm. PTKS.91/1871/E

The Collector of Land Revenue,
Kota Setar,
Kedah.

10

Dear Sir,

Application to convert the use
of land S.P.K.14750 (Lot 336)
Mk. Alor Malai

With reference to the above matter, we
shall be pleased if you will kindly let us
have a brief report in respect of our
application.

Our application was filed on 20th
October, 1971. We hope that you will be
able to act immediately.

20

That is all for your information.
Thank you.

Yours faithfully,

Sd:

Syden Azahari Shahabudin
for Akitek Tmc - A.Star

c.c. Mr. Teoh Chai Seok,
53 Jalan Tunku Ibrahim,
Alor Star,
Kedah.

30

Translation No.PC/1/79 Folio - Fees \$ -
Translated by Sd.

A Sworn Interpreter
Supreme Court, Penang
Malaysia

11/8/79

EXHIBITS
A38

LETTER FROM PEMUNGUT HASIL
TANAH, KOTA STAR TO AKITEK
ANTARA - 3rd June 1972

EXHIBITS

A38
Letter from
Pemungut
Hasil Tanah,
Kota Star to
Akitek Antara
3rd June
1972

(10) dlm. PTKS.91/1971/E

Land Office, Kota Setar,
Alor Setar.

3rd June, 1972

10 Tuan Syed Azahari Shahabudin,
for Akitek TMC Alor Setar,
Bilek 12, Tingkat Pertama,
Bangunan Lembaga Padi,
Jalan Tunku Ibrahim,
Alor Setar.

Conversion of use of land Lot
SPK 14750 Mukim Alor Malai

20 With reference to your letter dated 1st
June, 1972, in respect of the above mentioned
matter, this is to inform you that the matter
is still under process. The Department is still
waiting a reply from the Director of Town and
Country Planning for any comments from him.

Your obedient servant,
Sd:

Abu Bakar Bin Yaacub
The Collector of Land Revenue,
Kota Setar.

Translation No. PC/1/79 Folio - Fees \$ -

30 Translated by Sd.
A Sworn Interpreter
Supreme Court, Penang
Malaysia

11 /8/79

EXHIBITS

A39

Xerox copy of
letter from
Pengarah
Peranchang
Bandar dan
Kampong Negeri
Kedah to
Pemungut Hasil
Tanah Kota Star
8th June 1972

EXHIBITS

A39

XEROX COPY OF LETTER FROM
PENGARAH PERCANCHANG BANDAR
DAN KAMPONG NEGERI KEDAH TO
PEMUNGUT HASIL TANAH KOTA
STAR - 8th June 1972

Department of Town & Country Planning,
Alor Star.

8.6.72

10

The Collector of Land Revenue,
Alor Star,
Kedah.

Application to convert the use of
land Lot No.336 SPK Geran 14750
(sec.124 K.T.N.) from padi field
to residential area, Mukim Alor
Malai

With reference to your abovementioned
reference letter dated 9.12.1971 this is to
inform you that this Department have no
objection in respect of the above matter
on the condition that :-

20

(i) Land shaded in yellow on Plan 1B
ref: PTKS 91/1971/E must be
surrendered for road reservation
subject to the confirmation of the
Collector of Land Revenue that the
said roads have connection with road
reservation on the adjoining Lots.

30

(ii) The layout for houses must be
shifted again so that they comply
with the bye-laws in respect of
boundary of buildings and 10' away
from any other boundary.

(iii) places marked in green lines must
be surrendered as open spaces.

2. Enclosed herewith is a copy of your
plan ref. 1B. PTKS.91/1971/E.

Thank you,

Your obedient servant
Sd.

40

Translation No.PC/1/79 Folio - Fees \$ -
Translated by Sd.

A Sworn Interpreter,
Supreme Court, Penang, Malaysai

11/8/79

EXHIBITS
A40

COPY OF LETTER FROM AKITEK
ANTARA TO PEMUNGUT HASIL TANAH
KOTA STAR - 24th June 1972

24th June, 1972

The Collector of Land Revenue,
Kota Setar,
Alor Star, Kedah.

EXHIBITS
A40

Copy of letter
from Akitek
Antara to
Pemungut Hasil
Tanah, Kota
Star

24th June 1972

10 Tuan,

Application for conversion of land
Lot 336 S.P.K.14750 Mk. Alor Malai
from padi field to residential area

With reference to the above matter, we
enclose herewith 6 copies of the amended site
plan as required by the Director of State
Planning vide his letter (ref. JPBK/K5/2865/3)
dated 8.6.72.

20

We hope that by complying with the above
requirements you will be able to approve our
application as soon as possible.

Yours faithfully,

Sd:

Syed Ashari Shahabudin
for Akitek TMC - A.Star

Translation No.PC/1/79 Folio - Fees \$ -
Translated by Sd.

30

A Sworn Interpreter
Supreme Court, Penang
Malaysia

11/8/79

EXHIBITS

A41

Copy of letter
from Setiausaha,
Majlis Banaran
Alor Star to
Pemungut Hasil
Tanah, Kota Star

27th September
1972

EXHIBITS

A41

COPY OF LETTER FROM SETIAUSAHA,
MAJLIS BANARAN ALOR STAR TO
PEMUNGUT HASIL TANAH, KOTA STAR
27th September 1972

Town Council,
Alor Setar.

27th September, 1972

The Collector of Land Revenue,
Alor Star.

10

Application for conversion of
Lot No.336 S.P.K. 14750 Mk.Alor
Malai from padi field to
residential area

With reference to your letter ref.:(14)
dlm. PTKS/91/1971/E dated 25th July, 1972,
we wish to inform you that this Council have
no objection to the conversion of Lot 336
S.P.K.14750 from padi field to residential
area on the condition that :-

20

- (a) Land coloured in yellow on the said
plan must be surrendered for road
reserve if the said roads have
connection with the road reserves
on the adjoining Lots.
- (b) The vacant land marked with green
must be surrendered to the Government.

2. We return you herewith a signed copy for
your necessary action.

30

Your obedient servant,

Sd:

(Mansor bin Haji Ahmad, A.M.BEK)
SECRETARY

Translation No.PC/1/79 Folio - Fees \$ -
Translated by Sd.
A Sworn Interpreter
Supreme Court, Penang,
Malaysia. 11/8/79

EXHIBITS

A42

MEMORANDUM AND ARTICLES OF
ASSOCIATION OF CHAI HUP & SONS
SDN.BHD. INCORPORATED -
22nd January 1973

THE COMPANIES ACT, 1965

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION
OF
CHAI HUP & SONS SDN. BERHAD

EXHIBITS

A42

Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated

22nd January
1973

10

- I. The name of the Company is CHAI HUP & SONS SENDIRIAN, BERHAD
- II. The registered office of the Company will be situated in Malaysia.
- III. The objects for which the Company is established are :-

20

- (1) To develop and turn to account any land acquired by or in which the Company is interested and in particular by laying out, subdividing and preparing the same for building purposes, constructing, decorating, maintaining, furnishing, fitting up, improving, altering, pulling down and re-erecting or reconstructing buildings and by paving draining, farming, cultivating, letting on building lease or building agreement and by advancing money to and entering into contracts and arrangements of all kinds with builders, tenants and others.

30

- (2) To manage lands, buildings and other property whether belonging to the Company or not, and to collect rents and income and to supply to and provide tenants and occupiers and others with all such facilities and conveniences as are commonly provided in residential flats, business offices, hotels or clubs.

40

- (3) To purchase or otherwise acquire for investment or resale and to traffice in lands houses, plantations and other property of any tenure and any interest therein and any movable property of any description or any

EXHIBITS

A42

Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated

22nd January
1973

(continued)

- interest therein and to create, sell and deal in freehold and leasehold ground rents and to make advances upon the security of land or house or other property or any interest therein and generally to deal in, traffice by way of sale, lease exchange or otherwise with land and house property and any other property whether real or personal, and whether for valuation consideration or not. 10
- (4) To obtain, procure, purchase, take on lease or sublease, exchange or otherwise acquire in any part of the world any concessions grants, claims, licenses, leases, options, rights or privileges for any mining objects or purposes or any mines, mining rights of concessions, or any metalliferous lands, gravels or rivers or any lands containing or supposed to contain tin, precious stones, gold, silver, 20 lead, wolfram, copper, iron, oil, coal or other valuable minerals, mineral ores or products and to explore, work, exercise, develop or otherwise turn to account, deal with or dispose of any such concessions, grants, claims, licenses, leases, mines, lands, options, rights or privileges and the produce thereof.
- (5) To hold shares and invest in and to acquire, lease, promote or sell any 30 business, company corporation, firm, enterprise undertaking or venture of any nature whatsoever, and generally to act as and undertake the business of a holding and investment company, and to manage and to conduct and undertake the business and management and otherwise howsoever direct the operations of any company, firm or other enterprise.
- (6) To acquire and take over the whole of any 40 part of the business property and liabilities of any person or persons, firm or corporation, carrying on any business which this Company is authorised to carry on, or possessed of any property or rights suitable for the purposes of this Company.
- (7) To carry on any other trade or business whatsoever whether manufacturing or otherwise which can, in the opinion of the Company, be advantageously or conveniently carried on by the Company by way of extension of or in connection with, or 50

is calculated directly or indirectly to develop, any branch of the Company's business or to increase the value of or turn to account any of the Company's assets property or rights.

EXHIBITS

A42

Memorandum and Articles of Association of Chai Hup & Sons Sdn.Bhd. incorporated

22nd January 1973

(continued)

- 10 (8) To amalgamate or enter into any partnership or arrangement in the nature of a partnership, co-operation or union of interests, joint adventure or reciprocal concession, or for limiting competition with any person or persons or corporation engaged or interested or about to become engaged or interested in the carrying on or conduct of any business or enterprise which this Company is authorised to carry on or conduct or from which this Company would or might derive any benefit, whether direct or indirect.
- 20 (9) To take or otherwise acquire and hold shares, stock, debentures or other securities of or interests in any other company.
- (10) To invest any moneys of the Company not required for the purposes of its business in such investments or securities as may be thought expedient.
- 30 (11) To lend money on any terms that may be thought fit, and particularly to customers or other persons or corporation having dealings with the Company, and to give any guarantees that may be deemed expedient.
- 40 (12) To borrow or raise or secure the payment of money by mortgage, or by the issue of debentures or debenture stock, perpetual or otherwise, or in such other manner as the Company shall think fit, and for the purpose aforesaid or for any other lawful purpose to charge all or any of the Company's property or assets, present and future, including its uncalled capital and collaterally or further to secure any securities of the Company by a trust deed or other assurance.
- (13) To draw, make, accept, indorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (14) To pay for any property or rights acquired

EXHIBITS

A42
Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated
22nd January
1973
(continued)

- by the Company, either in cash or fully or partly paid shares, or by the issue of securities, partly in one mode and partly in another and generally on such terms as may be determined.
- (15) To grant pensions, allowances, gratuities and bonuses to officers or ex-officers of the Company or to employees or ex-employees of the Company or its predecessors in business or the dependents of any such persons, and to support or subscribe to any charitable or public institutions, clubs, societies or funds. 10
- (16) To cause the Company to be registered or recognised in any foreign country or place.
- (17) To establish or promote any other company whose objects shall include the taking over of any of the assets and liabilities of this Company or the promotion of which shall be calculated to advance its interests, and to acquire and hold any shares or securities of any such company. 20
- (18) To sell or dispose of the undertaking, property and assets of the Company or any part thereof in such manner and for such consideration as the Company may think fit, and in particular for shares (fully or partly paid up), debentures, debenture stock or securities of any other company, whether promoted by this Company for the purpose or not, and to improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company. 30
- (19) To distribute any of the Company's property among the members in specie.
- (20) To do all or any of the above things in any part of the world, and either as principals, agents, trustees or otherwise, and either alone or in conjunction with others, and by or through agents, sub-contractors, trustees or otherwise. 40
- (21) To do all such other things as are incidental or the Company may think conducive to the attainment of the above objects or any of them.

- (22) To make donations for patriotic or for charitable purposes.
- (23) To transact any lawful business in aid of Malaysia in the prosecution of any war or hostilities in which Malaysia is engaged.

EXHIBITS

A42

Memorandum and Articles of Association of Chai Hup & Sons Sdn.Bhd. incorporated

22nd January 1973

(continued)

10 And it is hereby declared that the objects specified in each of the paragraphs of this clause shall be regarded as independent objects and accordingly shall in no wise be limited or restricted (except where otherwise expressed in such paragraphs) by reference to or inference from the terms of any other paragraph, but may be carried out in as full and ample a manner and construed in as wide a sense as if each of the said paragraphs defined the objects of a separate and distinct company.

20 IV. The liability of the members is limited.

V. The share capital of the company is \$1,000,000/- Malaysian currency divided into 1,000,000 shares of \$1/- each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.

30 We, the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

Names, Addresses and Descriptions of Subscribers	Number of Shares taken by each Subscriber
--	---

40	TEOH KIM HEOH (F) 53 Jalan Tunku Ibrahim, Alor Setar, KEDAH	Clerk (1) One
	TAN SIEW KIA @ TAN SU KIEW (F) 53 Jalan Tunku Ibrahim, Alor Setar, KEDAH.	Housewife (1) One

EXHIBITS

Dated this 22nd day of January 1973

Witness to the above signatures:-

A42
Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated
22nd January
1973
(continued)

LIM CHENG TAT
Dip. In Accy (W.A.) A.A.S.A.
1545, Jalan Sultan Badlishah,
Alor Star, Kedah
TEL: 1121

THE COMPANIES ACT, 1965

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF
CHAI HUP & SONS SDN. BERHAD

10

TABLE A

Table A
excluded

1. The regulations in Table A in the Fourth Schedule to the Act shall not apply to the Company except so far as the same are repeated or contained in these Articles.

INTERPRETATION

2. In these Articles the words standing in the first column of the Table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context.

20

Words	Meanings	
The Act	: The Companies Act, 1965 and every other Act for the time being in force concerning companies and affecting the Company	30
These Articles	: These Articles of Association as originally framed or as altered from time to time by Special Resolution.	
The Office	: The registered office for the time being of the Company	

Words	Meanings
The Seal	: The common seal of the Company
The Directors	: The directors for the time being of the Company
The Secretary	: Any person appointed to perform the duties of the Secretary of the Company including any person appointed temporarily.

EXHIBITS

A42
Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated
22nd January
1973

(continued)

10 Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.

Words importing the singular number only shall include the plural number and vice versa.

Words importing the masculine gender only shall include the feminine gender.

20 Words importing persons shall include corporations.

Subject as aforesaid words or expressions contained in these Articles shall be interpreted in accordance with the provisions of the interpretation and General Clauses Ordinance, 1948 and of the Act as in force at the date at which these Articles become binding on the Company.

PRIVATE COMPANY

2A. The Company is a Private Company, and accordingly :-

Private Company

30 (a) the right to transfer shares is restricted in manner hereinafter prescribed;

40 (b) the number of members of the Company (counting joint holders of shares as one person and not counting any person in the employment of the Company or of its subsidiary or any person who while previously in the employment of the Company or of its subsidiary was and thereafter has continued to be a member of the Company) shall be limited to not more than fifty;

(c) any invitation to the public to subscribe

EXHIBITS

A42

Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated

22nd January
1973

(continued)

Issue of Shares

for any shares in or debentures of
the Company is prohibited;

- (d) any invitation to the public to
deposit money with the Company for
fixed periods or payable at call,
whether bearing or not bearing
interest is prohibited.

SHARES

3. The shares taken by the subscribers to
the Memorandum of Association shall be issued 10
by the directors. Subject as aforesaid, the
shares shall be under the control of the
directors, who may allot and issue the same to
such persons on such terms and conditions and
at such times as the directors think fit but
so that no shares shall be issued at a discount
except in accordance with section 59 of the
Act. Subject to the Act, any Preference Shares
may, with the sanction of an Ordinary Resolution, 20
be issued on the terms that they are or at the
option of the Company are liable, to be
redeemed.

Pre-emption

4. Subject to any direction to the contrary
that may be given by the meeting sanctioning
any increase of capital, all new shares of
whatever kind and all unissued shares shall be
offered to the members in proportion to the
nominal value of the existing shares held by
them.

Commission on
Subscription

5. The Company may pay a commission to any 30
person in consideration of his subscribing or
agreeing to subscribe, whether absolutely or
conditionally, or procuring or agreeing to
procure subscriptions, whether absolute or
conditional, for any shares in the Company.
Provided that the rate per cent or the amount
of the commission paid or agreed to be paid shall
be disclosed in the manner required by the Act,
that such commission shall not exceed 10 per 40
cent of the price at which such shares are
issued, or an amount equivalent to such per-
centage, and that the requirements of section 58
of the Act shall be observed.

Subject to the provisions of section 54
of the Act, such commission may be satisfied
by the payment of cash or the allotment of fully
paid shares or partly in one way and partly in
the other.

EXHIBITS

A42
Memorandum and
Articles of
Association of Chai
Hup & Sons Sdn.Bhd.
incorporated

22nd January 1973

(continued)

No trust
recognised.

Share Certificates

Renewal of
certificates

Company to have
lien on shares
and dividends

Lien may be
enforced by sale
of shares.

10 6. No person shall be recognised by the Company as holding any shares upon any trust, and the Company shall not be bound by or be required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any other rights in respect of any share other than an absolute right to be entirely thereof in the registered holder, except only as by these Articles otherwise provided for or as by Act required or pursuant to any order of court.

20 7. Every member shall be entitled, without payment, to receive within two months after allotment or within one month after lodgment of transfer one certificate under the seal for all the shares registered in his name, specifying the shares to which it relates and the amount paid up thereon, provided that in the case of joint holders the Company shall not be bound to issue more than one certificate and delivery of such certificate to any one of them shall be sufficient delivery to all.

30 8. If a share certificate be worn out, defaced, lost or destroyed, it may be renewed on payment of such fee not exceeding one dollar and on such terms, if any, as to evidence and indemnity and the payment of out-of-pocket expenses of the Company of investigation evidence, as the directors think fit and, in the case of defacement or wearing out, on delivery up of the old certificate.

LIEN

40 9. The Company shall have a first and paramount lien upon all shares (whether fully paid or not) registered in the name of any member, either alone or jointly with any other person, for his debts, liabilities and engagements whether solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfilment or discharge, thereof shall have actually arrived or not, and such lien shall extend to all dividends from time to time declared in respect of such shares, but the directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

50 10. The directors may sell any share subject to such lien at such time or times and in such manner as they think fit, but no sale shall be made until such time as the moneys in

EXHIBITS

A42
Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated
22nd January
1973
(continued)

respect of which such lien exists or some part thereof are or is presently payable or a liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, and until a demand and notice in writing stating the amount due or specifying the liability or engagement and demanding payment or fulfilment or discharge thereof, and giving notice of intention to sell in default, shall have been served on such member or the persons (if any) entitled by transmission to the shares, and default in payment, fulfilment or discharge shall have been made by him or them for fourteen days after such notice. 10

Directors may authorise transfer and enter purchaser's name in register.

11. To give effect to any such sale the directors may authorise some person to transfer the shares sold to the purchaser and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. 20

Application of proceeds of sale.

12. The net proceeds of any such sale shall be applied in or towards satisfaction of the amount due to the Company, or of the liability or engagement, as the case may be, and the balance (if any) shall be paid to the member or the person (if any) entitled by transmission to the shares so sold. 30

Member not entitled to privileges of membership until all calls paid.

13. No member shall be entitled to receive any dividend or to exercise privileges as a member until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).

CALLS ON SHARES 40

Directors may make calls.

14. The directors may, subject to the provisions of these Articles, from time to time make such calls upon the members in respect of all moneys unpaid on their shares as they think fit, provided that fourteen days' notice at least is given of each call and each member shall be liable to pay the amount of every call so made upon him to the persons by the instalments (if any) and at the times and places appointed by the directors. 50

EXHIBITS

A42

Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated

22nd January
1973

(continued)

- 10 When call deemed to have been made. 15. A call shall be deemed to have been made at the time when the resolution of the directors authorising such call was passed.
- Liability of joint holders. 16. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments in respect thereof.
- Interest on unpaid call. 17. If before or on the day appointed for payment thereof a call or instalment payable in respect of a share is not paid, the person from whom the same is due shall pay interest on the amount of the call or instalment at such rate not exceeding 10 per cent per annum as the directors shall fix from the day appointed for payment thereof to the time of actual payment, but the directors may waive payment of such interest wholly or in part.
- 20 Sums payable on allotment deemed to be a call. 18. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall, for all purposes of these Articles, be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment the provisions of these Articles as to payment of interest and expenses, forfeiture and the like, and all the relevant provisions of these Articles, shall apply as if such sum were a call duly made and notified as hereby provided.
- 30 Difference in calls. 19. The directors may, from time to time, make arrangements on the issue of shares for a difference between the holders of such shares in the amount of call to be paid and in the time of payment of such calls.
- 40 Calls may be paid in advance. 20. The directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys due upon his shares beyond the sums actually called up thereon, and upon the moneys so paid in advance or so much therefore as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, the directors may pay or allow such member, in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up.

TRANSFER OF SHARES

- Shares to be transferable. 21. Subject to the restrictions of these Articles, share shall be transferable but every

EXHIBITS

A42

Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated

22nd January
1973

(continued)

Transfers to be executed
by the transferor.

Directors may refuse
to register.

Transfer fee.

Registration of transfers
may be suspended.

On death of member,
survivor or executor
only recognised.

Person entitled may not
receive dividends without
being registered as a member,
but may not vote.

transfer shall be in writing in the usual
common form or in such other form as the
directors shall from time to time approve, and
shall be left at the office accompanied by
the certificate of the shares to be transferred
and such other evidence (if any) as the directors
may reasonably require to show the right of the
transferor to make the transfer.

22. The instrument of transfer of any share
shall be executed by or on behalf of the trans- 10
feror, and the transferor shall be deemed to
remain the holder of the share until the name
of the transferee is entered in the register
of members in respect thereof.

23. The directors may, in their discretion,
and without assigning any reason therefor,
refuse to register a transfer of any share to
any person of whom they do not approve, and
they may also refuse to register a transfer of 20
any share on which the Company has a lien.
If the directors refuse to register a transfer
they shall within one month after the date on
which the transfer was lodged with the Company
send to the transferee notice of the refusal
in accordance with section 105 of the Act.

24. The Company shall be entitled to charge
a fee not exceeding one dollar (\$1/-) on the
registration of every transfer.

25. The registration of transfers may be 30
suspended at such times and for such periods
as the directors may from time to time determine,
provided always that such registration shall
not be suspended for more than thirty days in
any year.

TRANSMISSION OF SHARES

26. In the case of the death of a member the
survivors or survivor, where the deceased was
a joint holder, and the executors or admini- 40
strators of the deceased, where he was a sole
or only surviving holder shall be the only
persons recognised by the Company as having
any title to his shares, but nothing herein
contained shall release the estate of a deceased
joint holder from any liability in respect of
any share jointly held by him.

27. A person entitled to a share by transmission
shall be entitled to receive, and may give a
discharge for, any dividends or other moneys

payable in respect of the share, but he shall not be entitled in respect of it to receive notice of or to attend or vote at meetings of the Company or, save as aforesaid, to exercise any of the rights or privileges as a member unless and until he shall become a member in respect of the share.

FORFEITURE OF SHARES

10 28. If any member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for the payment thereof, the directors may be at any time thereafter, during such time as the call or instalment or any part thereof remains unpaid serve a notice on him or on the person entitled to the share by transmission requiring him to pay such call or instalment or such part thereof as remains unpaid, together with interest at
20 such rate not exceeding 10 per cent per annum as the directors shall determine, and any expenses that may have accrued by reason of such non-payment.

30 29. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which such call or instalment, or such part as aforesaid, and all interest and expenses that have accrued by reason of such non-payment, are to be paid. It shall also name the place where payment is to be made, and shall state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made will be liable to be forfeited.

40 30. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect. A forfeiture of shares shall include all dividends in respect of the shares not actually paid before the forfeiture notwithstanding that they shall have been declared.

50 31. When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall be given to the holder of the share or to the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the

EXHIBITS

A42
Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated
22nd January
1973

(continued)

Directors may require
payment of call with
interest and expenses.

Notice requiring payment
to contain certain
particulars.

On non-compliance
with notice shares
forfeited on
resolution of
directors.

Notice of forfeiture to
be given and entered
in register of members.

EXHIBITS

A42
Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated
22nd January
1973
(continued)

Directors may annul forfeiture
upon terms.

Directors may dispose of
forfeited shares.

Former holder of
forfeited shares liable
for call made before
forfeiture.

Consequences of
forfeiture.

Title to forfeited share.

forfeiture with the date thereof, shall forthwith be made in the register of members opposite to the share; but the provisions of this Article are directory only, and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

32. Notwithstanding any such forfeiture as aforesaid the directors may, at any time before the forfeited share has been otherwise disposed of, annul the forfeiture upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit.

33. Every share which shall be forfeited may be sold, re-allotted or otherwise disposed of, either to the person who was before forfeiture the holder thereof or entitled thereto, or to any other person upon such terms and in such manner as the directors shall think fit, and the directors may, if necessary, authorise some person to transfer the same to such other person as aforesaid.

34. A shareholder whose shares have been forfeited shall, notwithstanding, be liable to pay to the Company all calls made and not paid on such shares at the time of forfeiture, and interest thereon to the date of payment, in the same manner in all respects as if the shares had not been forfeited, and to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the shares at the time of forfeiture, without any deduction or allowance for the value of the shares at the time of forfeiture.

35. The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share as between the shareholder whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Act given or imposed in the case of past members.

36. A statutory declaration in writing that the declarant is a director of the Company, and that a share has been duly forfeited in

10

20

30

40

50

10 pursuance of these Articles, and stating the
'date upon which it was forfeited, shall, as
against all persons claiming to be entitled to
the share adversely to the forfeiture thereof,
be conclusive evidence of the facts therein
stated, and such declaration, together with the
receipt of the Company for the consideration
(if any) given for the share on the sale or
disposition thereof, and a certificate of
proprietorship of the share under the seal
delivered to the person to whom the same is
sold or disposed of, shall constitute a good
title to the share, and such person shall be
registered as the holder of the share and shall
be discharged from all calls made prior to such
sale or disposition, and shall not be bound to
see to the application of the purchase money
(if any), nor shall his title to the share be
affected by any act; omission or irregularity
20 relating to or connected with the proceedings
in reference to the forfeiture, sale, re-allot-
ment or disposal of the share.

EXHIBITS

A42
Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated

22nd January
1973

(continued)

CONVERSION OF SHARES INTO STOCK

37. (a) The Company may by Ordinary Resolution
passed at a general meeting convert any
paid up shares into stock and reconvert
any stock into paid up shares of any
denomination.

Conversion of Shares
into Stock

30 (b) The holders of stock may transfer the
same or any part thereof in the same
manner and subject to the same regula-
tions as and subject to which the shares
from which the stock arose might pre-
viously to conversion have been trans-
ferred or as near thereto as circumstances
admit, but the directors may from time
to time fix the minimum amount of stock
transferable and restrict or forbid the
transfer of fractions of that minimum,
40 but the minimum shall not exceed the
nominal amount of the shares from which
the stock arose.

50 (c) The holders of stock shall according to
the amount of the stock held by them
have the same rights, privileges and
advantages as regards dividends, voting
at meetings of the Company and other
matters as if they held the shares from
which the stock arose, but no such
privilege or advantage (except participation

EXHIBITS

A42
Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated
22nd January
1973
(continued)

in the dividends and profits of the company and in the assets on winding up) shall be conferred by any such aliquot part of stock which would not if existing in share have conferred that privilege or advantage.

- (d) Such of the regulations of the Company as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder". 10

ALTERATION OF CAPITAL

Company may increase its capital.

38. The Company may from time to time by Ordinary Resolution increase the share capital by such sum, to be divided into share of such amount, as the resolution shall prescribe.

Company may alter its capital.

39. The Company may by Ordinary Resolution -

- a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; or 20
- b) Sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association subject, nevertheless, to the provisions of the Act, and so that as between the resulting shares, one or more of such shares may by the resolution by which such sub-division is effected be given any preference or advantage as regards dividend, capital, voting or otherwise over the others or any other of such shares; or 30
- c) Cancel any shares not taken or agreed to be taken by any person.

Company may reduce its capital.

40. The Company may by Special Resolution reduce its share capital and any capital redemption reserve fund in any manner authorised and subject to any conditions prescribed by the Act. 40

MODIFICATION OF CLASS RIGHTS

Rights of classes of shares.

41. Subject to the provisions of section 65 of the Act, all or any of the rights, privileges or conditions for the time being attached or

10 belonging to any class of shares for the time
being forming part of the share capital of the
Company may from time to time be modified,
affected, varied, extended or surrendered in
any manner with the consent in writing of the
holders of not less than three-fourths of the
issued shares of that class or with the
sanction of an Extraordinary Resolution passed
at a separate meeting of the members of that
class. To any such separate meeting all the
provisions of these Articles as to General
Meeting of the Company shall mutatis mutandis
apply, but so that the necessary quorum shall
be members of the class holding or representing
by proxy one-third of the share capital paid
or credited as paid on the issued shares of
the class, and every holder of shares of the
class in question shall be entitled on a poll
to one vote for every such share held by him.

EXHIBITS

A42
Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated
22nd January
1973
(continued)

20 GENERAL MEETINGS

42. An annual general meeting of the Company shall be held in accordance with the provisions of the Act. All general meetings other than the annual general meetings shall be called extraordinary general meetings.

Annual General Meetings

30 43. Subject to the provisions of the Act relating to Special Resolutions and agreements for shorter notice fourteen days' notice at the least, specifying the place, the day and the hour of meeting, and in the case of special business the general nature of such business shall be given in manner hereinafter mentioned to such persons as are under the provisions of these Articles entitled to receive notices of General Meetings from the Company, but with the consent of all persons for the time being entitled as aforesaid, a meeting may be convened upon a shorter notice, and in such manner as such persons may approve. The
40 accidental omission to give such notice to, or the non-receipt of such notice by, any person shall not invalidate the proceedings of any resolution passed at any such meeting.

Notice of Meeting.

50 44. All business shall be special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the report of the directors and auditors, the election of directors in the place of those retiring, and the appointment and

Business of General Meetings.

EXHIBITS

A42

**Memorandum and
Articles of
Association of Chai
Hup & Sons Sdn.Bhd.
incorporated**

**22nd January 1973
(continued)**

**Resolution signed by
all members as effective
as if passed at
General Meeting.**

fixing of the remuneration of the auditors.

45. Subject to the provisions of the Act a resolution in writing signed by all the members for the time being entitled to receive notice of and attend and vote at General Meetings (or being corporations by their duly authorised representatives) shall be valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held, and may consist of several documents in the like form each signed by one or more members.

10

PROCEEDINGS AT GENERAL MEETINGS

**No business to be
transacted unless quorum
present.**

46. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, two members present in person shall be a quorum. For the purposes of this regulation "member" includes a person attending as a proxy or as representing a corporation which is a member.

20

**If no quorum meeting
dissolved or adjourned.**

47. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the directors may determine.

30

**Chairman of board to
preside at all meetings.**

48. The chairman, if any, of the board of directors shall preside as chairman at every general meeting of the Company, or if there is no such chairman, or if he is not present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the members present shall elect one of their number to be chairman of the meeting.

40

**Notice of adjourned
meetings.**

49. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more,

notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

EXHIBITS

A42
Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated
22nd January
1973

(continued)

10 50. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded -

(a) by the chairman;

(b) by at least three members present in person or by proxy;

How resolution
decided.

20 (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

(d) by a member or members holding shares in the company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

30 Unless a poll is so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. The demand for a poll may be withdrawn.

40 51. If a poll is duly demanded it shall be taken in such manner and either at once or after an interval or adjournment or otherwise as the chairman directs, and the result of the poll shall be the resolution of the meeting at which the poll was demanded, but a poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith.

How poll to be
taken.

52. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of

Chairman to have
casting vote.

EXHIBITS

A42
Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated
22nd January
1973
(continued)

Number of votes.

Votes of joint holders
of shares.

Votes of mentally disordered
members.

Members indebted to company in
respect of shares not entitled
to vote.

Arising objections to
voting qualifications.

the meeting at which the show of hands
takes place or at which the poll is
demanded shall be entitled to a second
or casting vote.

VOTES OF MEMBERS

53. Subject to any rights or restrictions
for the time being attaching to any class
or classes of shares, at meeting of members
or classes of members each member entitled
to vote may vote in person or by proxy or
by attorney and on a show of hands every
person present who is a member or a
representative of a member shall have one
vote, and on a poll every member present in
person or by proxy or by attorney or other
duly authorised representative shall have
one vote for each share he holds.

10

54. In the case of joint holders the vote
of the senior who tenders a vote, whether
in person or by proxy, shall be accepted
to exclusion of the votes of the other
joint holders; and for this purpose
seniority shall be determined by the order
in which the names stand in the register
of members.

20

55. A member who is of unsound mind or
whose person or estate is liable to be
dealt with in any way under the law relating
to mental disorder may vote, whether on a
show of hands or on a poll, by his
committee or by such other person as properly
has the management of his estate, and any
such committee or other person may vote by
proxy or attorney.

30

56. No member shall be entitled to vote at
any general meeting unless all calls or
other sums presently payable by him in
respect of shares in the Company have been
paid.

57. No objections shall be raised to the
qualification of any voter except at the
meeting or adjourned meeting at which the
vote objected to is given or tendered, and
every vote not disallowed at such meeting
shall be valid for all purposes. Any such
objections made in due time shall be
referred to the chairman of the meeting,
whose decision shall be final and
conclusive.

40

EXHIBITS

A42

Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated
22nd January
1973

(continued)

Instrument
appointing a
proxy to be in
writing.

58. The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. A proxy may but need not be a member of the company. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

10

Form of proxy
may allow
voting for or
against.

59. Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit :-

I/We

being a member/members of the abovenamed company, hereby appoint
of....., or failing him,
of....., as my/our
proxy to vote for me/us on my/our behalf at
the (annual or extraordinary, as the case may
be) general meeting of the company, to be held
on the.....day of.....19 , and
at any adjournment thereof.
Signed this.....day of.....19 .

20

This form is to be used* in favour of
against
the resolution.

30

*Strike out whichever is not desired.

(Unless otherwise instructed, the proxy may vote as he thinks fit)

Instrument
appointing a
proxy to be
left at the
office.

60. The instrument appointing a proxy and the power of attorney or other authority, if any, under, which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the company, or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty-four hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

40

Validity of vote
by proxy.

61. A vote given in accordance with the terms

EXHIBITS

A42

Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated

22nd January
1973

(continued)

of an instrument of proxy or attorney shall be valid notwithstanding the previous death or unsoundness of mind of the principal or revocation of the instrument or of the authority under which the instrument was executed, or the transfer of the share in respect of which the instrument is given, if no intimation in writing of such death, unsoundness of mind, revocation, or transfer as aforesaid has been received by the company at the registered office before the commencement of the meeting or adjourned meeting at which the instrument is used. 10

First Directors.

62. The first Directors shall be Teoh Kim Heoh and Tan Siew Kia @ Tan Su Kiew.

Retirement of Directors.

63. At the first annual general meeting of the Company all the directors shall retire from office, and at the annual general meeting in every subsequent year one-third of the directors for the time being, or if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office. 20

Retiring director eligible for re-election.

64. A retiring director shall be eligible for re-election.

Senior directors to retire.

65. The directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. 30

Office may be filled at meeting at which director retires.

66. The Company at the meeting at which a director so retires may fill the vacated office by electing a person thereto, and in default the retiring director shall if offering himself for re-election and not being disqualified under the Act from holding Office as a director be deemed to have been re-elected, unless at that meeting it is expressly resolved not to fill the vacated office unless a resolution for the re-election of that director is put to the meeting and lost. 40

Number of directors may be increased or reduced.

67. The company may from time to time by Ordinary Resolution passed at a general meeting increase or reduce the number of directors, and may also determine in what rotation the increased or reduced number is to go out of office. Until and unless otherwise

determined as aforesaid the number of directors shall be not less than two and not more than seven.

EXHIBITS

A42

Memorandum and Articles of Association of Chai Hup & Sons Sdn.Bhd. incorporated

22nd January 1973

(continued)

Casual vacancy to be filled by directors.

Director may be removed by ordinary resolution.

Directors remuneration.

Director's qualification.

Office of director vacated in certain cases.

10 68. The directors shall have power at any time and from time to time, to appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing directors, but so that the total number of directors shall not at any time exceed the number fixed in accordance with these regulations. Any director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the directors who are to retire by rotation at that meeting.

20 69. The company may by Ordinary Resolution remove any director before the expiration of his period of office, and may by an Ordinary Resolution appoint another person in his stead; the person so appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

30 70. The remuneration of the directors shall from time to time be determined by the company in general meeting. That remuneration shall be deemed to accrue from day to day. The directors may also be paid all travelling, hotel, and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or general meeting of the company or in connexion with the business of the company.

71. There shall be no shareholding qualification for directors unless so fixed by the Company in General Meeting.

40 72. The office of director shall become vacant if the director

- (a) ceases to be a director by virtue of the Act;
- (b) becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (c) becomes prohibited from being a director by reason of any order made under the Act;

EXHIBITS

A42

Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn. Bhd.
incorporated

22nd January
1973

(continued)

- (d) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental disorder;
- (e) resigns his office by notice in writing to the company;
- (f) for more than six months is absent without permission of the directors from meetings of the directors held during that period;
- (g) without the consent of the company in general meetings holds any other office of profit under the company except that of managing director or manager; or
- (h) is directly or indirectly interested in any contract or proposed contract with the company and fails to declare the nature of this interest in manner required by the Act.

10

20

POWERS AND DUTIES OF DIRECTORS

Directors to manage
company's business.

73. The business of the company shall be managed by the directors who may pay all expenses incurred in promoting and registering the company, and may exercise all such powers of the company as are not, by the Act or by these regulations, required to be exercised by the company in general meeting, subject, nevertheless, to any of these regulations, to the provisions of the Act, and to such regulations, being no inconsistent with the aforesaid regulations or provisions as may be prescribed by the company in general meeting; but no regulation made by the company in general meeting shall invalidate any prior act of the directors which would have been valid if that regulation had not been made.

30

Directors Borrowing
Powers.

74. The directors may exercise all the powers of the company to borrow money and to mortgage or charge as undertaking, property and uncalled capital, or any part thereof (Illegible)

40

rights or as security for any debt, liability, or obligation of the company or any third party.

Use of official seal
abroad and branch registers.

75. The directors may exercise all the powers of the company in relation to any

official seal for use outside Malaysia and in relation to branch register.

EXHIBITS

A42

Memorandum and Articles of Association of Chai Hup & Sons Sdn.Bhd. incorporated

22nd January 1973

(continued)

10 76. The directors may from time to time by power of attorney appoint any corporation, firm, or person or body of persons, whether nominated directly or indirectly by the directors, to be the attorney or attorneys of the company for such purposes and with such powers, authorities, and discretions (not exceeding those vested in or exercisable by the directors under these regulations) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with such an attorney as the directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities, and discretions vested in him.

Attorneys.

20 77. All cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for money paid to the company shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by any two directors or in such other manner as the directors from time to time determine.

Signing negotiable instruments and receipts.

78. The directors shall cause minutes to be made :-

Directors to cause minutes to be made.

- 30 (a) of all appointments of officers to be engaged in the management of the company's affairs;
- (b) of names of directors present at all meetings of the company and of the directors; and
- (c) of all proceedings at all meetings of the company and of the directors.

40 Such minutes shall be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting.

PROCEEDINGS OF DIRECTORS

79. The directors may meet together for the despatch of business adjourn and otherwise regulate their meetings as they think fit. A director may at any time and the secretary shall on the requisition of a director summons a

Calling directors' meetings.

EXHIBITS

A42

Memorandum and
Articles of
Association of Chai.
Hup & Sons Sdn.Bhd.
incorporated

22nd January 1973

(continued)

Voting at directors'
meeting.

Director may not vote if
interested in contract.

Alternate or substitute
directors.

Quorum of Directors.

Vacancies in board.

Chairman of meetings.

meeting of the directors.

80. Subject to these regulations questions arising at any meeting of directors shall be decided by a majority of votes and a determination by a majority of directors shall for all purposes be deemed a determination of the directors. In case of an equality of votes the chairman of the meeting shall have a second or casting vote.

81. A director shall not vote in respect of any contract or proposed contract with the company in which he is interested, or any matter arising thereout, and if he does so vote his vote shall not be counted. 10

82. Any director with the approval of the directors may appoint any person (whether a member of the company or not) to be an alternate or substitute director in his place during such period as he thinks fit. Any person while he so holds office as an alternate or substitute director shall be entitled to notice of meetings of the directors and to attend and vote thereat accordingly, and to exercise all the powers of the appointor in his place. An alternate or substitute director shall not require any share qualification, and shall ipso facto vacate office if the appointor vacates office as a director or removes the appointee from office. Any appointment or removal under this regulation shall be effected by notice in writing under the hands of the director making the same. 20 30

83. The quorum necessary for the transaction of the business of the directors may be fixed by the directors, and unless so fixed shall be two.

84. The continuing directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to the regulations of the company as the necessary quorum of directors, the continuing directors or director may act for the purpose of increasing the number of directors to that number or of summoning a general meeting of the company, but for no other purpose. 40

85. The directors may elect a chairman of their meetings and determine the period for which he is to hold office; but if no such

chairman is elected, or if at any meeting the chairman is not present within ten minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be chairman of the meeting.

EXHIBITS
A42
Memorandum and
Articles of
Association of Chai.
Hup & Sons Sdn.Bhd.
incorporated

22nd January 1973

(continued)

Directors may delegate
their powers.

10 86. The directors may delegate any of their powers to committees consisting of such member or members or their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the directors.

87. A committee may elect a chairman of its meetings; if no such chairman is elected, or if at any meeting the chairman is not present within ten minutes after the time appointed for holding the meeting, or is unwilling to act the members present may choose one of their number to be chairman of the meeting.

Chairman of
committees.

20 88. A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes the chairman shall have a second or casting vote.

Meetings of committees.

30 89. All acts done by any meeting of the directors or of a committee of directors or by any person acting as a director shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any such director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director.

Validity of acts of
directors.

40 90. A resolution in writing, signed by all the directors for the time being entitled to receive notice of a meeting of the directors, shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more directors.

Resolution signed
by directors to be
valid.

MANAGING DIRECTORS

91. The directors may from time to time appoint one or more of their body to the office of managing director for such period and on

Managing Director.

EXHIBITS

A42

Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated
22nd January
1973

(continued)

Managing Director's
remuneration.

such terms as they think fit and, subject to the terms of any agreement entered into in any particular case, may revoke any such appointment. A director so appointed shall not, while holding that office, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of directors, but his appointment shall be automatically determined if he ceases from any cause to be a director.

10

92. A managing director shall, subject to the terms of any agreement entered into in any particular case, receive such remuneration (whether by way of salary, commission, or participation in profits, or partly in one way and partly in another) as the directors may determine.

Managing Director's
powers.

93. The directors may entrust to and confer upon a managing director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter, or vary all or any of those powers.

20

ASSOCIATE DIRECTORS

Associate Directors.

94. The directors may from time to time appoint any person to be an associate director and may from time to time cancel any such appointment. The directors may fix, determine and vary the powers, duties and remuneration of any person so appointed, but a person so appointed shall not be required to hold any shares to qualify him for appointment nor have any right to attend or vote at any meeting of directors except by the invitation and with the consent of the directors.

30

SECRETARY

Secretary.

95. The secretary shall in accordance with the Act be appointed by the directors for such terms, at such remuneration, and upon such conditions as they may think fit, and any secretary so appointed may be removed by them.

40

The first secretary of the company shall be Mr. Lim Cheng Tat.

SEAL

EXHIBITS

A42

Memorandum and
Articles of
Association of Chai
Hup & Sons Sdn.Bhd.
incorporated
22nd January 1973
(Continued)

Seal to be used only with
authority of directors and
instrument. to be signed
by one director and
counter-signed.

10 96. The directors shall provide for the safe custody of the seal, which shall only be used by the authority of the directors or of a committee of the directors authorised by the directors in that behalf, and every instrument to which the seal is affixed shall be signed by a director and shall be counter-signed by the secretary or by a second director or by some other person appointed by the directors for the purpose.

20 97. The directors shall cause proper accounting and other records to be kept and shall distribute copies of balance sheets and other documents as required by the Act and shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting and other records of the company or any of them shall be open to the inspection of members not being directors and no member (not being a director) shall have any right of inspecting any account or book or paper of the company except as conferred by statute or authorised by the directors or by the company in general meeting.

Keeping of accounts and
inspection by members.

DIVIDENDS AND RESERVES

30 98. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the directors.

Declaration of
dividends.

99. The directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the company.

Interim dividends.

100. No dividend shall be paid otherwise than out of profits or shall bear interest against the company.

Dividend to be paid only
out of profits.

40 101. The directors may, before recommending any dividends, set aside out of the profits of the company such sums as they think proper as reserves which shall, at the discretion of the directors, be applicable for any purpose to which the profits of the company may be properly applied, and pending any such application may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares in the company) as the directors may from time to time think fit. The directors may also without

Directors may form
reserve fund and invest.

EXHIBITS

A42

Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated

22nd January
1973

(continued)

Payment of dividends.

placing the same to reserve carry forward any profits which they may think prudent not to divide.

102. Subject to the rights of persons, if any entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect thereof the dividend is paid, but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid: but if any share is issued on terms providing that it shall rank for dividend as from a particular date that share shall rank for dividend accordingly. 10

Directors may deduct from dividends sums owed to company.

103. The directors may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company. 20

General meeting may pay dividend in specie.

104. Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid-up shares, debentures or debenture stock of any other company or in any one or more of such ways and the directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the directors may settle the same as they think expedient, and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the directors. 30 40

Dividend to be posted to members.

105. Any dividend, interest, or other money payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the 50

register of members or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one or two or more joint holders may give effectual receipts for any dividends, bonuses, or other money payable in respect of the shares held by them as joint holders.

EXHIBITS

A42
Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated
22nd January
1973

(continued)

Company may
capitalize reserves and
undivided profits

10

CAPITALIZATION OF PROFITS

106. The company in general meeting may upon the recommendation of the directors resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the directors shall give effect to such resolution. A share premium account and a capital redemption reserve may, for the purposes of this regulation, be applied only in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares.

20

30

40

50

107. Whenever such a resolution as aforesaid shall have been passed the directors shall make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all

Procedure on
capitalization.

EXHIBITS

A42

Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated

22nd January
1973

(continued)

the members entitled thereto into an agreement with the company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization, or (as the case may require) for the payment up by the company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members. 10

NOTICES

Service of notices.

108. A notice may be given by the company to any member either personally or by sending it by post to him at his registered address, or (if he has no registered address within Malaysia) to the address, if any, within Malaysia supplied by him to the company for the giving of notices to him. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, preparing, and posting a letter containing the notice, and to have been effected in the case of a notice of a meeting on the day after the date of its posting, and in any other case at the time at which the letter would be delivered in the ordinary course of post. 20 30

Service on joint holders of shares.

109. A notice may be given by the company to the joint holders of a share by giving the notice to the joint holder first named in the register of members in respect of the share.

Notice in case of death or bankruptcy.

110. A notice may be given by the company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignee of the bankrupt, or by any like description, at the address, if any within Malaysia supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred. 40

Notices of general meetings.

111. (1) Notice of every general meeting shall be given in any manner hereinbefore 50

authorised to -

EXHIBITS

- (a) every member;
- (b) every person entitled to a share in consequence of the death or bankruptcy or a member who, but for his death or bankruptcy, would be entitled to receive notice of the meeting; and
- (c) the auditor for the time being of the company

A42
Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated
22nd January
1973

(continued)

- (2) No other person shall be entitled to receive notices of general meetings.

WINDING UP

112. If the company is wound up the liquidator may, with the sanction of a special resolution of the company divide amongst the members in kind the whole or any part of the assets of the company (whether they consist of property of the same kind or not) and may for that purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of any such assets, in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, thinks fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Distribution in
specie.

INDEMNITY

113. Every director, managing director, agent, auditor, secretary, and other officer for the time being of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connexion with any application under the Act in which relief is granted to him by the Court in respect of any negligence, default, breach of duty or breach of trust.

Directors and
officers entitled to
indemnity.

EXHIBITS

NAMES, ADDRESSES AND DESCRIPTION OF SUBSCRIBERS

A42
Memorandum
and Articles
of Association
of Chai Hup &
Sons Sdn.Bhd.
incorporated

22nd January
1973

(continued)

TEOH KIM HEOH (F)
53, Jalan Tunku Ibrahim,
Alor Setar,
KEDAH.

Clerk

TAN SIEW KIA @
TAN SU KIEW (F)
53, Jalan Tunku Ibrahim,
Alor Setar,
KEDAH

Housewife

Dated this 22nd day of January 1973
Witness to the above signatures :-

KIM CHENG TAT

Dip. In Accy (W.S.) A.A.S.A.
1545 Jalan Sultan Badlishah
Alor Star, Kedah
TEL: 1121

EXHIBITS
A43

REPORT AND VALUATION OF
C.H. WILLIAMS & CO. dated
2nd February 1973

EXHIBITS

A43
Report and
Valuation of
C.H. Williams
& Co.

2nd February
1973

10 C.H. WILLIAMS & CO.(SDN.)
Chartered Surveyors
Valuers and Estate Agents
Property Managers.

42A BANGUNAN BANK
NEGARA
LEBOH LIGHT
G.P.O. BOX 1161
PENANG
MALAYSIA
TEL: 04-24214/5

REPORT & VALUATION

2nd February 1973

Chai Hup & Sons Sdn.Bhd.
c/o Lim Cheng Tat & Co.,
1545 Jalan Sultan Badlishah,
Alor Star,
KEDAH.

20 Dear Sirs,

Lot 336 Mukim of Alor Malai
District of Kota Setar, Kedah

We thank you for your instructions dated
1st January 1973 to value the above property.
We have inspected the property on several
occasions and our report and valuation is as
follows :-

SITUATION

30 The property is situated within a developing
residential area off Jalan Langgar near Lorong
Sharif less than one-and-a-half miles by road
north-east of the Alor Star town centres. It is
accessible through Lorong Sharif or by a proposed
access road off Jalan Langgar.

TITLE DETAILS & OUTGOINGS

40 The property is shown on the survey plan
as Lot 336 Mukim of Alor Malai, District of
Kota Star, Kedah held under Surat Putus Kechik
14750 which is a freehold title with an area
of 7 relongs 266 jempas (5 acres 1 rood 19 poles).

The registered proprietor is shown as

EXHIBITS

A43
Report and
Valuation of
C.H.Williams
& Co.
2nd February
1973
(continued)

Teoh Chai Siok by virtue of a Transfer 2142/1971 (124/47) and Originating Summons 114/1968 dated 10.8.1971.

The land is restricted to being used for bendang (padi) and kampong only and is within an area gazetted as a Malay Reservation.

The title has been mortgaged to Malayan Banking Berhad by the registration of Mortgages 2187/1971 Jil 25/78 dated 15.8.1971 and 1020/1972 Jil 29/11 dated 13.4.1972.

10

Quit rent payable amounts to \$22.00 per annum. There is also an education rate of \$6.00 per year.

DESCRIPTION

The property consists of a long strip of vacant land surrounded by residential development of semi-detached and terrace houses.

The land is flat and about 2 feet below road level having been previously cultivated with padi. It takes the shape of a long rectangle with a uniform width of about 180 feet and a length of about 1300 feet.

20

PLANNING PROVISIONS

The land has not been zoned for any particular use but enquiries at the State Planning Department show that the land can be developed for residential use particularly for semi-detached houses.

A proposed layout shows the 40-foot access road going right through in the centre of the land with semi-detached houses on both sides with areas for open space reserves and another area reserved for future development. This appears to be the most economic layout of the land while conforming with local building bye-laws. The layout will allow for a development of 58 units of semi-detached houses.

30

Any building development will however require actual planning approval, the conversion of land use from 'bendang and kampong' to building, the sub-division of the land and the issue of separate land titles.

40

For development to proceed, the land has to be filled at least 2 feet, roads and drains

have to be made, and services connected to the land.

EXHIBITS

A43
Report and
Valuation
of C.H.
Williams &
Co.

2nd February
1973

(continued)

VALUATION

10 The best method of valuation is by way of comparisons of recent sales of similar properties in the locality and adjusting for the location, access, size, the relief, shape and dates of sales. There are no adequate comparisons for the purposes of this valuation and we have therefore also used the residual method to arrive at the market value of the land in its present condition.

20 The residual method involves the estimate of proposed sale prices of semi-detached houses on completion and the deduction of the costs of the development. Developer's profit has also to be allowed as this is the expected return for the development of the scheme. As the scheme is likely to take at least 2 years before completion, we have allowed for this period of time before arriving at the value.

We assess the sale prices of each single-storey semi-detached house at \$25,000/- and the value of the land reserved for future development at \$2.00 per sq.ft. The calculations are shown as follows :-

SALE PRICES

58 houses @ \$25,000/- each \$1,450,000
Land 12980 sq.ft. @
30 \$2.00 per sq.ft. \$ 25,960 \$1,475,960

COSTS OF DEVELOPMENT

Land Costs

filling @ 10¢ per
cu.ft. up to 2ft.
over area of
233830 sq.ft. \$46,766

conversion @
\$100/- per plot
59 house lots
40 @ \$100/- each \$ 5,900

sub-division @
\$100/- each
61 lots \$ 6,100
\$58,766

EXHIBITS

A43

Report and
Valuation of
C.H. Williams
& Co.

2nd February
1973

(continued)

Developer's Profit

20% of \$58,766/- \$ 5,871 \$64,637

Building Costs

Roads

1360 ft. x 20 ft.
wide
\$8.00 per cu.yd. \$24,177

Drains

2800 ft. run @
\$12/- per ft.
run \$33,600
\$57,777

10

Houses

58 houses @
\$9,600/- each \$556,800

Fees

58 houses @
\$400/- each \$ 23,200
\$637,777

Costs of Finance

9% of \$350,000/-
for 2 years \$ 63,000
\$700,777

20

Developer's Profit

@ 20% \$140,155 \$840,932

\$905,569

\$570,391

Defer 2 years @ 9%

0.84

Value

\$479,284

The value over the land area of 233,830 sq.ft. gives a value of about \$2.05 per sq.ft. Lands in Alor Star transferred between non-Malays within Malay Reservations are sold between \$1.50 to \$2.00 per sq.ft. depending on the actual location, road access, shape, size, relief with vacant possession. The land being valued still requires conversion.

30

Allowing for the differences, we assess the land known as Lot 336 Mukim of Alor Malai District of Kota Star, with vacant possession

40

and with the development potential at \$1.95 per sq.ft. amounting to \$455,968.50 (Dollars: Four hundred and fifty-five thousand nine hundred and sixty-eight and Cents Fifty Only).

Yours faithfully,

Sd. C.H.Williams & Co.

LSC/yse

EXHIBITS

A43
Report and
Valuation of
C.H.Williams
& Co.

2nd February
1973

(continued)

EXHIBITS

A46

XEROX COPY OF LETTER FROM
PEMUNGUT HASIL TANAH, KOTA
SETAR TO TEOH CHAI SIOK
18th February 1973

18th January, 1973

Mr. Teoh Chai Seok,
No.65 Jalan Tunki Ibrahim,
Alor Star.

Tuan,

Re: Application for conversion of
land Lot 336 (Sek.14750) Mukim
Alor Malai, Daerah Kota Setar

With reference to the above matter and in respect of your application dated 15.9.71, this is to inform you that your application to change the use of land from Town/Country to Building (Residential) area has been approved by the State Authority by ref.: 24/73 subject to the following terms.

(A) The fee for the conversion of land from Town /Country to Building (Residential) area for Lots (1)-(59)

(a) Building + Residential

(i) Quit Rent according to
Kedah Land Procedure
1966 - 15.1(c) - K.P.U.
19/11.12.1969 \$912.00

A46
Xerox copy of
letter from
Pemungut Hasil
Tanah, Kota
Setar to
Teoh Chai Siok
18th February
1973

EXHIBITS

A46
Xerox copy of
letter from
Pemungut Hasil
Tanah, Kota
Setar to
Teoh Chai Siok
18th February
1973
(continued)

- (ii) Quit Rent 5 times more than the new Quit Rent - 446/70 - \$4,560.00
 - (iii) Registration and Issuing the Title Deed - Kedah Land Procedure 1966 - 37(2) - \$ 354.00
 - (iv) Fee for preparing the Title Deed Order, 1965 (survey charges), schedule 5(ii) - \$ 118.00
- \$5,944.00

10

Stipulated terms and restriction of interest for Lot Nos. (1) - (58)

- (i) Land comprised in this grant must be used only for residential building
- (ii) Prohibited from making any transfer, charge, rental or lease on this land only if the landlord builds and maintains road reserve and put in tar and stones and also build drains to the satisfaction of the Town Council or that there is an assurance from the Alor Setar Town Council that the road and drains will be completed.

20

Restriction of interest for Lot 59

Cannot build any building only if the said Lot is subdivided according to the approved layout of the Director of Town and Country Planning, Kedah.

30

- (B) Before registering this approval, the Landlord has to bear all the expenses himself for the subdivision of the land according to the terms required under Section 9 of the National Land Code and to surrender freely (no charging) to the Government..... illegible

40

2. Due to the item (A) above, you are requested to deposit with me a sum of \$5,944.00

(Dollars Five thousand nine hundred and forty-four) and due to item (B) above, please forward to me :-

EXHIBITS

A46

Xerox copy of letter from Pemungut Hasil Tanah, Kota Setar to Teoh Chai Siok

18th February 1973

(continued)

10

- (i) Application for conversion of land by using Form 9A National Land Code (enclosed 3 copies for you to complete and return)
- (ii) 4 copies of plan as attached
- (iii) \$10/- cash being the registration fee as soon as possible.

Sd.:

.....

Collector of Land Revenue

- c.c. 1. Datuk Director of Land and Mineral, Kedah.

Your file: PTG(K) A/1/121/1972 refers

2. Secretary, Town Council, Kedah.

20

Your file: MB(AS) 0595(B) refers

Translation No. PC/1/79 Folio - Fees \$ -

Translated by Sd.

A Sworn Interpreter
Supreme Court, Penang
Malaysia

11/8/79

EXHIBITS

A47

Copy letter from
Akitek Antara to
Setiausaha Majlis
Bandaran, Alor
Setar

10th March 1973

EXHIBITS

A47

COPY OF LETTER FROM AKITEK
ANTARA TO SETIAUSAHA MAJLIS
BANDARAN, ALOR SETAR
10th March 1973

Akitek TMC - A,
Alor Star.

10.3.73

Secretary,
Town Council,
Alor Star,
Kedah.

10

Tuan,

Housing Scheme on Lot 336, Mukim
Alor Malai, District of Kota Setar,
Kedah for Messrs. Chai Hup & Sons
Sdn. Bhd.

With reference to the above matter, we
enclose herewith 7 copies of site plan and
plan for the house for the Council's approval.

20

For your information, the conversion
of land from padi field to residential area
has been implemented by the State Authority
pursuant to Paper No. 24/73.

We hope that the Council will consider
our application as soon as possible.

Thank you.

Yours faithfully,

Syed Azhari Shahabudin
for Akitek TMC - A. Setar.

30

c.c.: M/s Chai Hup & Sons Sdn.Bhd.
Alor Setar.

Translation No.PC/1/79 Folio - Fees \$ -
Translated by Sd.

A Sworn Interpreter
Supreme Court, Penang
Malaysia

11/8/79

EXHIBITS

A48

COPY OF LETTER FROM CHAI HUP
& SONS SDN.BHD. TO SETIAUSAHA
MAJLIS BANDARAN ALOR SETAR
25th March 1973

EXHIBITS

A48

Copy of letter
from Chai Hup &
Sons Sdn.Bhd.
to Setiausaha
Majlis Bandaran
Alor Setar
25th March 1973

10 CHAIR HUP & SONS SDN. Registered Office:
BERHAD 1st Floor 1545 Jalan
53 Jalan Tunku Ibrahim, Sultan
Alor Star, Kedah. Badlishah, Alor Star,
TEL: 149 Kedah, MALAYSIA
TEL: 1121

Date: 25th March 1973

Ref: (AS)0395(8)13

Tuan Setiausaha,
Majlis Bandaran,
Alor Setar,
KEDAH

Tuan,

20 Cadangan perumshan atas lot 336
Mukim Alor Malai, Daerah K.Setar

Enclosed herewith is a Chartered Bank,
Alor Setar cheque No. 400502 for \$791/30 being
payment of plan fees.

Thank you,

Yours faithfully,
CHAI HUP & SONS SDN.BHD.

Sd:

Secretary

30 c.c. to Syarikat Akitek TMC
Bilik 12, Bangunan Lambaga Padi
Alor Setar

EXHIBITS

A49

Agreement
between tax-
payer and Chai
Hup & Sons Sdn.
Bhd.

15th April 1973

EXHIBITS

A49

AGREEMENT BETWEEN TAXPAYER
AND CHAI HUP & SONS SDN.BHD.
15th April 1973

AN AGREEMENT made this 15th day of April, 1973
BETWEEN TEOH CHAI SIOK of No.53, Jalan Tunku
Ibrahim, Alor Star, Kedah (hereinafter called
the Vendor) of the one part AND CHAI HUP & SONS
SENDIRIAN BERHAD, a limited liability company 10
incorporated in the states of Malaysia and
having its registered office at 1st Floor,
1545, Jalan Sultan Badlishah, Alor Star,
Kedah (hereinafter called the Purchaser) of
the other part

WHEREAS the Vendor is the registered
owner of all that land held under SPK 14750
for Lot No. 336 in the mukim of Alor Malai
in the District of Kota Setar (hereinafter
called the land) 20

AND WHEREAS the said land is presently
charged to the Malayan Banking Berhad Alor
Star

AND WHEREAS the Vendor has agreed to
sell to the Purchaser and the Purchaser has
agreed to purchase the said land upon the
terms and conditions set out herein.

NOW THIS AGREEMENT WITNESSETH as follows :-

1. The total purchase price of the said
land shall be Dollars Five hundred and eighty 30
thousand (\$580,000/-) only of which the sum
of Dollars Ten thousand (\$10,000/-) only by
way of deposit as security and part payment
for the due completion of this agreement is
now paid to the Vendor (the receipt of which
the Vendor hereby acknowledges) and the
balance of Dollars Five hundred and seventy
thousand (\$570,000/-) only (hereinafter
called the Balance Sum) shall be paid in 40
the manner provided herein.

2. The purchase of the said land is subject
to the Vendor deducing a good and marketable
title to the same

3. The Vendor hereby agree and undertake
to deliver up vacant possession of the said

land on or before the date of completion as provided herein.

EXHIBITS

A49

Agreement between taxpayer and Chai Hup & Sons Sdn.Bhd.

15th April 1973

(continued)

4. The Vendor shall obtain a discharge of the said charge on the said land within three (3) months of the date of execution of this Agreement.

10 5. The Vendor shall within fourteen (14) days of the said charge on the said land being discharged notify the Purchaser in writing of the same whereupon the Purchaser shall complete the purchase by paying to the Vendor the Balance sum.

6. Upon the payment of the Balance sum in accordance with Clause 5 above, the Vendor shall forthwith execute a valid and registrable transfer of the said land to the Purchaser or to their nominee or nominees or assigns and deliver the same to the Purchaser

20 7. Assessments and quit rents in respect of the said land shall be apportioned as at the date of completion.

8. Time wherever mentioned shall be of the essence of this agreement

9. Stamp fees, registration fees and other outgoings including Solicitors fees in respect of this Agreement and the said transfer shall be borne and paid for by the Purchaser absolutely.

30 10. Any notice required by the provisions of this Agreement to be given to either party hereto to the other may be delivered or sent by registered post to such other party at the respective addresses given above and any notice so sent shall be deemed to have been delivered at the time when in the ordinary course of post it would have been so delivered

11. This Agreement shall be binding upon the heirs, administrators, executors, assigns and successors in title of the parties hereto

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

SIGNED by the Vendor)
TEOH CHAI SIOK in the) Sd.
presence of :-) TEOH CHAI SIOK

Sd:
CHOE KUAN HIN
Advocate & Solicitor, Alor Star

EXHIBITS

A49
Agreement
between tax-
payer and
Chai Hup &
Sons Sdn.Bhd.

15th April
1973

(continued)

THE COMMON SEAL of CHAI)
HUP & SONS SENDIRIAN)
BERHAD is affixed in) Sd:
the presence of :

A50
Copy of letter
from Setiausaha
Majlis Bandaran
Alor Setar to
Chai Hup & Sons
Sdn.Bhd.

9th June 1975

EXHIBITS
A50

COPY OF LETTER FROM
SETIAUSAHA MAJLIS BANDARAN
ALOR SETAR TO CHAI HUP &
SONS SDN.BHD. - 9th June 1975

10

Town Council,
Alor Setar.

9.6.75

Messrs. Chai Hup & Sons Sdn.Bhd.
53 Jalan Tunku Ibrahim,
Alor Star.

Proposal for housing scheme on
Lot 336 Mukim Alor Malai

With reference to your letter dated 25th
March, 1973 in respect of the above, this is 20
to inform you that you are requested to
comply with the following :-

- (a) Key plan i.e., 8 chains = 1 inch
- (b) Amended plan for car parking Lot
(garage)

That is all for your information.

Your obedient servant,
Sd:

Mohamad Nadzim b. Hj.Shaari)

Translation No.PC/1/79 Folio - Fees \$ - 30
Translated by Sd. 11/8/79
A Sworn Interpreter
Supreme Court, Penang, Malaysia

EXHIBITS

A51

LETTER FROM SETIAUSAHA, MAJLIS
BANDARAN ALOR SETAR TO AKITEK
ANTARA - 16th July 1973

City Council Office,
Alor Star.

16th July, 1973

EXHIBITS

A51

Letter from
Setiausaha,
Majlis
Bandaran
Alor Setar to
Akitek Antara
16th July
1973

10 Akitek Antara,
Room 23, Bangunan Lembaga Padi,
Alor Star.

Proposed housing scheme on
Lot 336 Mk. Alor Malai

In respect of the above, you are required
to amend the plan as follows :-

- 20 (a) the wall of the car porch on the border
of the Lot should be built with grille
at least 3 feet high
- (b) plan for existing road and drain and
sewer system must be added for
consideration
- (c) a clear plan for septic tank must be
added
- (d) concrete pavement.

2. We return herewith the plan for the necessary
amendments.

Sd:

(Mohd. Nadzin bin Haji Shaari)
Secretary
30 City Council, A. Star.

Translation No.PC/1/79 Folio - Fees \$ -

Translated by Sd.

A Sworn Interpreter,
Supreme Court, Penang
Malaysia

11/8/79

EXHIBITS

A52
Copy of letter
from Akitek
Antara to Koh
Han Khai
18th July 1973

EXHIBITS

A52
COPY OF LETTER FROM AKITEK
ANTARA TO KOH HAN KHAI
18th July 1973

AKITEK TMC
Chartered Architects

AKITEK ANTARA
ALOR SETAR

1008/sas/Lt-4

Date: 18th July, 1973

Mr. Koh Han Khai,
M/s Jurutera Utama,
3rd Floor, 62 Weld Quay,
PENANG

10

Dear Mr. Koh,

We are forwarding 1 set of building plan
for M/s Chai Hup & Sons Sdn.Bhd.

Please prepare R.C. and Sanitary details
plans for the above as soon as possible.

Thank you,

Yours faithfully,

Sd:

Syed Azahari Shahabudin for
Akitek Antara - Alor Setar.

20

EXHIBITS
A53

COPY OF LETTER FROM AKITEK
ANTARA TO SETIAUSAHA MAJLIS
BANDARAN, ALOR SETAR -
2nd August 1973

Akitek Antara,
2nd August, 1973

EXHIBITS

A53
Copy of letter
from Akitek
Antara to
Setiausaha
Majlis Bandaran
Alor Setar
2nd August
1973

10 Secretary,
City Council,
A. Star,
Kedah.

Tuan,

Housing scheme on Lot 336 Mukim
Alor Malai, Daerah Kota Setar,
Kedah, for Messrs. Chai Hup &
Sons Sdn. Bhd.

20 With reference to your letter MB(AS)0595(B)23
dated 16.7.73, we return herewith 4 copies of
amended plan as required by you.

Items (b), (c) and (d) will be entered
before the engineer starts the works.

We hope that you will consider and give
your approval as soon as possible.

Thank you.

Yours faithfully,

Sd:

Syed Azhari Shahbudin
for Akitek Antara, A.Star

30 c.c.: 1. Akitek Antara, Penang
2. M/s Chai Hup & Sons Sdn.Bhd.

Translation No. PC/1/79 Folio - Fees \$ -

Translated by Sd.

A Sworn Interpreter
Supreme Court, Penang 11/8/79

EXHIBITS

A54

Letter from
Setiausaha
Majlis Bandaran
Alor Setar to
Akitek Antara

1st October 1973

EXHIBITS

A54

LETTER FROM SETIAUSAHA MAJLIS
BANDARAN ALOR SETAR TO AKITEK
ANTARA - 1st October 1973

Town Council Office,
Alor Star.

1st October, 1973

Syarikat Akitek Antara,
Room 23 Bangunan Lembaga Padi,
Jalan Tunku Ibrahim,
Alor Star.

10

Housing scheme on Lot 336 Mukim
Alor Malai fro Syarikat Chai Hup
& Sons Sdn. Bhd.

With reference to your letter ref:
AS.1008/SAS/Lt. - 5 dated 2.8.73 in respect
of the above matter, this is to inform you
that the plan ref.: MB(AS)0595/11A to 11D has
been approved on condition :-

20

(a) Any site which do not have 10 ft.
difference between the house and the
border of the Lot then an amended
plan must be filed for approval
before the house can be built.

2. We return herewith 2 sets of plan duly
signed for your retention.

3. Please inform the progress in the construc-
tion works by completing Form I, II, III and IV.

4. If you want to put up signboard and
advertisement they must be in Bahasa
Malaysia and a written approval must be
obtained from the Council. Writing in Bahasa
Malaysia must be given priority and double
the size of writing in other languages.

30

That's all for your information.

Your obedient servant,

Sd:

(Mansur bin Haji Ahmad, AMN, BCK)
Secretary,
Town Council, Alor Setar

40

c.c.: Messrs. Chai Hup & Sons Sdn.Bhd.
- 1 copy of relevant plan

Translation No. PC/1/79 Folio - Fees \$ -
Translated by Sd.
A Sworn Interpreter
Supreme Court, Penang
Malaysia
11/8/79

EXHIBITS

A54
Letter from
Setiausaha
Majlis Bandaran
Alor Setar to
Akitek Antara
1st October
1973
(continued)

KHOO KHAI HONG & CO.
 Certified Public Accountants (Malaysia)
 Ban Hin Lee Bank Chambers
 Rooms 104 & 105 Mezzanine Floor
 Beach Street, Penang, Malaysia

CHOP SIN HIN
 TRADING AND PROFIT AND LOSS ACCOUNTS FOR THE YEAR ENDED
 31st DECEMBER 1973

Stock as at 1.1.1973		Sales	
Purchases	440,552.75	Stock as at 31.12.1973	
Gross Profit	<u>18,593.77</u>		
	<u>487,661.67</u>		<u>6437 561.67</u>
Salaries	2,740.00	Gross Profit	18,593.77
Transport Charges	964.15	Ground Rent from Lot 336	7,460.00
Sundry Expenses	252.50		
Food	2,145.50		
Electricity	513.62		
Water	106.50		
Telephone Charges	560.40		
Printing & Stationery	238.00		
Travelling Expenses	575.00		
Employees Provident Fund	193.00		
Business Registration	50.00		
Income Tax	1,178.56		
Bank Interest	3,645.70		
Repairs	658.75		
Road Tax	1,736.00		
Insurance	169.00		
Petrol	1,446.03		
Licence	288.00		
Donation	27.00		
Quit Rent	28.00		
Depreciation on Furniture & Fittings	59.60		
Net Profit	<u>8,478.46</u>		
	<u>26 053.77</u>		<u>26 053.77</u>

BALANCE SHEET AS AT 31st DECEMBER, 1973

L I A B I L I T I E S

A S S E T S

<u>CAPITAL</u>			
Teoh Chai Siok			
<u>PROFIT AND LOSS ACCOUNT</u>			
Balance b/f			
Add: 1973 Profit	8,478.46		
Profit on Sales			
of Padi Field	<u>538,790.50</u>		
Less Drawings			
		57,410.85	
			35,000.00
			<u>99,819.31</u>
<u>CURRENT LIABILITIES</u>			
Sundry Creditors			
			123,903.27
			603,339.81
			<u>727,243.08</u>
			<u>827,062.39</u>
			<u>826,859.15</u>
			580,000.00
			<u>147,859.15</u>
			<u>1,147.50</u>
			<u>42,603.05</u>
			<u>32,891.23</u>
			<u>71,674.67</u>
			<u>148,316.4</u>
			<u>7,067.0</u>
			<u>762,243.02</u>
			<u>762,243.02</u>
			<u>175.00</u>
			<u>520.00</u>
			<u>452.50</u>
			<u>1,147.50</u>
			<u>42,603.05</u>
			<u>32,891.23</u>
			<u>71,674.67</u>
			<u>148,316.4</u>
			<u>7,067.0</u>
			<u>762,243.02</u>

I declare that the above statements of account are true and correct to the best of my knowledge and belief.

Teoh Chai Siok

EXHIBIT A55
(Contd.)

EXHIBITS

A56

Transfer from
Taxpayer to
Chai Hup &
Sons Berhad

29th December
1973

EXHIBITS

A56

TRANSFER FROM TAXPAYER TO
CHAI HUP & SONS BERHAD
29th December 1973

National Land Code

Form 14A

(Sections 215, 217, 218)

TRANSFER OF LAND, SHARE OR LEASE

(Stamps to be affixed - or payment of duty certified in this space) 10

FOR REGISTRY USE

Memorial of registration made in the register Document/s of Title scheduled below, with effect from 9-10 a.m. on the 21st day of February 1974.

File of -
Transfer
Volume 4
Folio 68

(LS) Sd. Illegible
Registrar
District Kota Setar

Presentation
No.512/1974

20

I, TEOH CHAI SIOK (K/P No.1903389) of No.53 Jalan Tunku Ibrahim, Alor Setar, Kedah, proprietor of the land/undivided share in the land lessee/sub-lessee under the lease/sub-lease described in the schedule below:

(a) In consideration of the sum of Dollars Five hundred and eighty thousand (\$580,000-00) only, the receipt of which sum I hereby acknowledge: 30

(b) In consideration of

(c) For no consideration -

Hereby transfer to the transferee/s named below all such title or interest as is vested in me.

Dated this 29th day of December 1973

Sd: Teoh Chai Siok (In Chinese)

(Signature (or other form of execution) by or on behalf of transferor

EXHIBITS

A56

Transfer from
Taxpayer to
Chai Hup &
Sons Berhad

29th December
1973

(continued)

10

I, HASSAN BIN TAIB, Assistant Collector of Land Revenue, Kota Setar, Kedah, hereby testify that the above signature was written in my presence this 29th day of December 1973 and is according to information given to me by the following trustworthy and reliable person namely :- Mohd. Noor bin Aroff K.P.No.3922007 of No.41 Jalan Tunku Ibrahim, Alor Setar, Kedah, which information I verily believe, the true signature of Teoh Chai Siok, who has acknowledged to me,

(i) that he is of full age,

(ii) that he has voluntarily executed this instrument, and

(iii) that he understands the contents and effect thereof.

20

As witness my hand this 29th day of December 1973.

Sd. Hassan bin Taib
Signature

WE, CHAI HUP & SONS SDN. BERHAD., a Company incorporated in Malaysia and having its registered office at No.1545 (1st Floor) Sultan Badlishah Road, Alor Setar, Kedah, accept this transfer.

Sd. Tan Siew Kin @
Tan Su Kiew

Sd. Teoh Kim Heoh

30

(In Chinese)

EXHIBITS

A56

Transfer from
Taxpayer to
Chai Hup &
Sons Berhad

29th December
1973

(continued)

(Where the address of the person claiming under this instrument is outside the Federation, an address within the Federation for the service of notices is to be added in this space).

SCHEDULE OF LAND AND INTEREST

Mukim	Lot	Description and No. of Title	Share of land (if any)	Registered No. of lease/sub-lease (if any)	Registered No. of charge (if any)
(1)	(2)	(3)	(4)	(5)	(6)
Mukim Alor Malai	336	Surat Putus Kechik No. 14750	Whole	-	-

One Title Only

Sd.

29.12.73

Translation No. PC/1/79 Folio - Fees \$ -

Translated by Sd.

A Sworn Interpreter
Supreme Court, Penang
Malaysia

11/8/79

EXHIBITS
A57

LETTER FROM REVENUE TO
TAXPAYER (TRANSLATION)
18th September 1974

EXHIBITS
A57

Letter from
Revenue to
Taxpayer
(Translation)

18th
September
1974

TRANSLATION

Department of Inland Revenue,
Alor Star.
18.9.74

10 Encik Teoh Chai Siok,
53 Jalan Tunku Ibrahim,
Alor Star, Kedah.

Dear Sir,

With reference to your statement of accounts for the year ending 31st December, 1973, kindly give me following clarifications within 30 days:-

(1) Creditor - \$123,903.27

Forward a list of the full names and addresses of the said persons or companies and the amount due to each of them.

20 (2) Chai Hup & Sons Sdn. Bhd. - \$580,000/-

(a) Confirm whether other expenses were incurred other than the purchase of shares.

(b) If there are, state the nature of such expenses and the total for each nature of expenses.

30 (c) Also confirm whether these expenses were included in your account book. If so, state the nature of the account so recorded.

(3) State the total amount of the cost of living of you and your family for the year 1973 and how this amount was acquired.

(4) Padiland - \$41,209.50

(a) The said Padiland was purchased by you in 1971 at a price of \$41,209.50. State the circumstances which led to its price being \$580,000.

40 (b) Confirm whether this source is acquired in the years 1971 and 1972. If available, forward a statement of income and expenditure for the years ending 31st

EXHIBITS

A57
Letter from
Revenue to
Taxpayer
(Translation)
18th September
1974
(continued)

December, 1971 and 31st December, 1972
and the reasons why you have failed
to state this income (if any) in your
relevant Forms B.
(c) If no profits were derived, give
reasons.

Yours truly,

Sgd: Leong Mun Chong
Asst. Director,
Department of Inland Revenue,
Alor Star.

10

Translated by me
Sd.

SWORN MALAY INTERPRETER
SESSIONS COURT
PENANG.

A59
Letter from
Khoo Khai Hong
to Revenue
11st October
1974

EXHIBITS
A59

LETTER FROM KHOO KHAI HONG
TO REVENUE - 11th October
1974

20

OG.115857-00 (OTH) 11th October, 1974
A/1543

Jabatan Hasil Dalam Negeri,
Limbong Kapal,
Peti Surat 88,
Alor Setar,
Kedah.

Dear Sir,

Teoh Chai Siok

In reply to your letter dated 18th
September, 1974 we are instructed to furnish
the following particulars.

30

1. Sipiutang \$123,903.27

Please see list attached.

2. Chai Hup & Sons Sdn.Bhd. \$580,000/-

(a) Our client confirms that there are
other expenses incurred besides
purchase price.

(b) As our client has not yet received the bill from his lawyer, thus he has no idea of the expenses incurred.

3. Our client and his whole family is staying in the shop house and their living expenses such as water and light, food and lodging are charged to the business of Chop Sin Hin.

4. Bedang \$41,209.50

(a) The reason for the differences is due to appreciation. This valuation was made by the Chartered valuer, Messrs. C.H. Williams.

(b) The ground rent received from Lot 371 amounting to \$7,460/- was for the years 1964 to 1972. It was paid in 1973 in one lump sum.

Yours faithfully,

Encls.

LES/Kph

EXHIBITS

A59

Letter from
Khoo Khai
Hong to
Revenue

11th October
1974

(continued)

10

EXHIBITS

A61
Letter from
Revenue to
Taxpayer
2nd November
1974

EXHIBITS

A61
LETTER FROM REVENUE
TO TAXPAYER - 2nd
November 1974

TRANSLATION

Department of Inland
Revenue, Alor Star

2.11.74

The Accountant,
Khoo Khai Hong & Co.,
Ban Hin Lee Bank Chambers,
Room 104, Mezzanine Floor,
Beach Street, Penang.

10

Dear Sir,

Re: Encik Teoh Chai Siok

With reference to your client's letter dated 11th October, 1974 and his statement of accounts for the year ending 31st December, 1973 please confirm whether the rent amounting to \$7,460.00 had been received in respect of Lot 371 or Lot 336. 20

Kindly also supply the following additional details within 30 days :-

Padiland Lot 336

- (a) Forward the agreement of purchase of the said Padiland (if any)
- (b) Also forward a photostat copy of the Valuation Certificate given by M/s C.H. Williams.
- (c) Confirm whether he had carried out any works to develop the property before the sale. If so, elaborate. 30
- (d) Confirm whether action has been taken by him to convert the Padi land into housing land. If so, elaborate.
- (e) Also confirm whether any profits were derived from the land before its sale. If so, give statement of income and expenditure for each year ending 31st Dec. from the date of purchase to date of sale. 40
- (f) State the purpose of purchasing the said 2 pieces of land.

Yours truly,
Sgd: Leong Mun Chong
Asst. Director,
Department of Inland Revenue,
Alor Star.

EXHIBITS

A61
Letter from
Revenue to
Taxpayer
2nd November
1974
(continued)

Translated by me.
Sd:

10 SWORN MALAY INTERPRETER
SESSIONS COURT,
PENANG.

EXHIBITS
A62

LETTER FROM KHOO KHAI HONG
TO REVENUE WITH ENCLOSED
PARTICULARS - 15th November
1974

A62
Letter from
Khoo Khai
Hong to
Revenue with
enclosed
particulars
15th November
1974

OG.115857-00 (OTH)
A/1543

15th November, 1974

20 The Senior Asst. Director of Inland Revenue,
Limpong Kapal,
Peti Surat 88,
Alor Setar,
Kedah.

Dear Sir,

Teoh Chai Siok

With reference to your letter dated 2nd
November 1974, we are instructed to enclose
herewith list of particulars required by you.

Yours faithfully,

30

Sd.

Encls.
LES/Kph

EXHIBITS

A62

Letter from
Khoo Khai Hong
to Revenue
with enclosed
particulars

15th November
1974

(continued)

TEOH CHAI SIOK

1. The ground rent amounting to \$7,460/- was received from Lot 371
2. Bendang Lot 336
 - a. A photostat copy of sales agreement is enclosed herewith.
 - b. A photostat copy of the valuation certificate from M/s C.H. Williams is enclosed herewith.
 - c. A photostat copy from Pejabat Tanah Kota Setar, Alor Setar is enclosed herewith. 10
 - d. It is not suitable for planting and no income was derived from the land.
 - e. No.
 - f. (i) Lot 371 was bought in 1963. The reason for buying this bendang was to collect rent.
(ii) Lot 336 was bought in 1961, however, due to some unforeseen circumstances, 20 the title was transferred until 1971. During the years 1961 to 1971, the land was left vacant and later on it was found that it is not suitable for padi planting.

EXHIBITS
A63

LETTER FROM REVENUE TO
KHOO KHAI HONG & COMPANY
23rd November 1974

EXHIBITS

A63
Letter from
Revenue to
Khoo Khai
Hong &
Company

TRANSLATION

Department of Inland
Revenue,
Alor Setar.

23rd
November 1974

23rd November, 1974

10 The Accountant,
Khoo Khai Hong & Co.,
Ban Hin Lee Bank Chambers,
Rooms 104 & 105 Mezzanine Floor,
Beach Street,
Penang.

Dear Sir,

Re: Encik Teoh Chai Siok

Receipt of your letter dated 15th November,
1974 is hereby acknowledged.

20 I find that you did not send a copy of the
agreement of purchase of Lot 336 but had sent
a copy of its agreement of sale.

I hope you will forward the said document
as soon as possible.

Yours truly,

Sd. Leong Mun Chong,
Assistant Director,
Department of Inland Revenue,
Alor Setar.

30 Translated by me.

Sd.

SWORN MALAY INTERPRETER,
SESSIONS COURT, PENANG.

EXHIBITS

A64

Letter from
Khoo Khai Hong
to Revenue
enclosing
aforesaid agree-
ment

6th December
1974

EXHIBITS

A64

LETTER FROM KHOO KHAI HONG
TO REVENUE ENCLOSING AFORESAID
AGREEMENT - 6th December 1974

OG. 115857-00 (OTH)
A/1543

6th December, 1974

The Senior Asst. Director of
Inland Revenue,
Jabatan Hasil Dalam Negeri,
Limbong Kapal,
Peti Surat 88,
Alor Star.

10

Dear Sir,

Encik Teoh Chai Siok

With reference to your letter dated
23rd November 1974 we enclose herewith a
photostat copy of agreement of purchase of
Lot 336.

Yours faithfully,

Encl.
JT/Kph

CHOP SIN HIN

TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED
31.12.1974

KHOO KHAI HONG & CO.,
Certified Public Accountants (Malaysia)
Ban Hir Lee Bank Chambers
Rooms 104 & 105, Mezzanine Floor,
Beach Street, Penang, Malaysia

Stock as at 1.1.1974	RM 42,603.05	Sales	RM 517,826.04
Purchases	501,154.78	Stock as at 31.12.1974	54,133.00
Gross Profit	<u>28,201.21</u>		
	<u>RM 571,959.04</u>		<u>RM 571,959.04</u>
Transport Charges	RM 606.30	Gross Profit	28,201.21
Sundry Expenses	612.50	Ground Rent Received	1,540.00
Electricity Rates	602.64	from Lot 336	
Water Rates	163.50		
Telephone Charges	686.90		
Food	2,265.20		
Salaries	3,600.00		
Printing & Stationery	240.00		
Travelling Expenses	810.00		
Employees Provident Fund	198.00		
Business Registration	50.00		
Income Tax	1,844.50		
Bank Interest	954.88		
Repairs to Lorry	3,861.25		
Lorry KB 6737 Road Tax	1,736.00		
Insurance	312.14		
Petrol	1,924.45		
Liquor Licence	288.00		
Rice Licence	10.00		
Quit Rent	111.20		
Insurance	593.00		
Subscription	36.00		
Loss on Sale of KA 7777	4,156.00		
Depreciation on Furniture	56.60		
Net Profit	3,912.15		
	<u>RM 29,741.21</u>		<u>RM 29,741.21</u>

EXHIBITS
A67

LETTER FROM KHOO KHAI HONG
TO REVENUE - 20th January 1975

EXHIBITS

A67
Letter from
Khoo Khai Hong
to Revenue

20th January
1975

OG.115857-00
A/1543

20th January, 1975

10 The Asst. Director of Inland Revenue,
Limbong Kapal,
Peti Surat 88,
Alor Star

Dear Sir,

Teoh Chai Siok

With reference to your Notice of Assessment for 1974, we are instructed by our client to lodge an objection, which we hereby do, on the ground that the profit of \$538,790 arising from the transfer of his padi land to Chai Hup & Sons Sdn. Bhd. constitutes a capital profit and is not assessable to income tax.

30 Will you kindly let us have a set of
Forms Q for completion by our client.

In the meantime, our client will greatly appreciate if the tax in dispute can be stood over pending the appeal.

Yours faithfully,

/Su

EXHIBITS

A68

Letter from
Revenue to
Khoo Khai Hong
30th January
1975

EXHIBITS

A68

LETTER FROM REVENUE
TO KHOO KHAI HONG
30th January 1975

TRANSLATION

Department of Inland Revenue,
Alor Setar.

30th January, 1975

The Accountant,
Khoo Khai Hong & Co.,
Ban Hin Lee Bank Chambers,
Room 104 Mezzanine Floor,
Beach Street,
Penang. 10

Dear Sir,

Re: Encik Teoh Chai Siok

As required by you in your letter of 20th
January, 1975 I attach herewith 4 copies of
Form Q for your necessary action. 20

According to the agreement of purchase of
land which was sold to Chai Hup & Sons Sdn.Bhd.
the purchase price totalled \$31,500/- only.
But according to his statement of accounts on
31st December, 1973 an amount of \$41,209.50 has
been recorded as its price. Kindly explain.

According to the details received, a
licence to sell liquor was issued to your client.
If this is true, please confirm the date of
commencement of the business and give reasons 30
why income from this source (if any) was not
stated.

The collection of tax on which the appeal
is made has now been postponed.

Yours truly,
Sd. Leong Mun Chong
Assistant Director,
Department of Inland Revenue,
Alor Setar.

Translated by me 40
Sd.
SWORN MALAY INTERPRETER
SESSIONS COURT, PENANG.

EXHIBITS
A69

NOTICE OF APPEAL TO SPECIAL
COMMISSIONERS FORM Q dated
28th February 1975

MALAYSIA
INCOME TAX
FORM Q

EXHIBITS

A69
Notice of
Appeal to
Special
Commissioners
Form Q dated
28th February
1975

10

Form prescribed under Section 152 of the
Income Tax Act, 1967

To:
Special Commissioners of
Inland Revenue

Alor Setar.

From:
Teoh Chai Siok
53 Jalan Tunku
Ibrahim,
Alor Setar, Kedah

NOTICE OF APPEAL TO THE SPECIAL COMMISSIONERS
OF INCOME TAX (Section 99(1) of the
Income Tax Act, 1967)

20

Name: Teoh Chai Siok Assessment No.
OG.115857-00

I, Teoh Chai Siok being aggrieved by the assessment*/
additional assessment dated 18th January, 1975
showing \$288,658.30 tax payable for year of
assessment notice of which was served on me on
18th January, 1975 appeal to the Special Commis-
sioners on the following grounds :

30

That the sum of \$538,790 included in the
assessment under the heading of Trade Income
is a capital profit not chargeable to
income tax.

Date: 28th February, 1975 Signed:

Sole-proprietor
Designation

NOTE: A separate notice of appeal should be given for
each assessment. The notice should be sent
to the Inland Revenue Office at the address
shown on the Notice of Assessment.

EXHIBITS

A70

Letter from Khoo
Khai Hong to
Revenue

28th February
1975

EXHIBITS

A70

LETTER FROM KHOO KHAI HONG
TO REVENUE - 28th February
1975

OG.115857-00 (OTH)
A/1543

28th February, 1975

The Asst. Director of Inland Revenue,
Limbong Kapal,
Peti Surat 88,
Alor Setar,
Kedah.

10

Dear Sir,

Teoh Chai Siok

In reply to your letter dated 30th
January, 1975, we enclose 4 copies of Form Q
duly completed.

The cost of land of \$41,209.50 is
arrived at as follows :-

Purchase price	\$31,500.00	20
Additional sum paid to Vendor	9,309.45	
Stamp Duty	<u>400.05</u>	
	<u>\$41,209.50</u>	

We are directed to inform you that sales
of liquor are included in the sales account.

Yours faithfully,

Sd.

Encls.

/Su

30

EXHIBITS
A71

LETTER FROM REVENUE TO
KHOO KHAI HONG - 12th
March 1975

EXHIBITS

A71
Letter from
Revenue to
Khoo Khai
Hong
12th March
1975

ALOR STAR 722400
722060
OG.115857-00 (OTH)
A/1543

JABATAN HASIL DALAM
NEGERI,
LIMBONG KAPAL,
PETI SURAT 88,
ALOR SETAR, KEDAH

10

sic

The Account,
Khoo Khai Hong & Co.,
Ban Hin Lee Bank Chambers,
Room 104, Mezzanine Floor,
Beach Street,
Penang.

Tarikh: 12 March 1975

Tuan,

Re: Encik Teoh Chai Siok

20

I acknowledge receipt of your letter dated 28th February, 1975 and four copies of "Form Q" enclosed therewith. I return you herewith a copy of Form Q for your retention.

It is regretted that I am unable to accept your client's contention that the profit of \$538,790/- made by him in the basis year ended 31st December, 1973 from the sale of land, SPK No.14750 at Mukim Alor Malai is a capital profit.

30

He purchased the land, converted the tenure of the land and then sold it at enhanced price. These are trading activities and any profit so made cannot be regarded as a profit of a capital nature. But appropriately one of an income nature.

40

Therefore, I am not prepared to reduce the notice of additional assessment dated 18th January, 1975 for the Year of Assessment 1974 and by virtue of sub-section 4 of section 101 of the Income Tax Act 1967, I hereby propose to confirm the above mentioned assessment.

If I fail to receive a written application from your client within the next 30 days, I

EXHIBITS

A71
Letter from
Revenue to
Khoo Khai Hong
12th March
1975
(continued)

shall deem that my proposal is accepted.

Yang benar,

Sd.

(LEONG MUN CHONG)
Penolong Pengarah,
Jabatan Hasil Dalam Negeri,
Alor Setar.

/fk

s.k. Encik Teoh Chai Siok,
53, Jalan Tunku Ibrahim,
Alor Setar, Kedah.

10

A.72
Letter from
Khoo Khai Hong
to Revenue
24th March
1975

EXHIBITS
A72

LETTER FROM KHOO KHAI HONG
TO REVENUE - 24th March 1975

OG.115857-00(OTH)
A/1543

24th March, 1975

The Asst. Director of Inland Revenue,
Limpong Kapal,
Peti Surat 88,
Alor Setar.

20

Dear Sir,

Encik Teoh Chai Siok

With reference to your letter dated
12-3-1975, we are instructed by our client to
inform you that he cannot agree to your
proposal to confirm the assessment.

In the circumstances, kindly arrange
to send the appeal forward to be dealt with
by the Special Commissioners under Section 108
of the Income Tax Act, 1967.

30

Yours faithfully,

c.c. Encik Teoh Chai Siok,
53, Jalan Tunku Ibrahim,
Alor Star.

EXHIBITS

A73

LETTER FROM REVENUE TO SECRETARY
SPECIAL COMMISSIONERS - 21st May
1975

EXHIBITS

A73

Letter from
Revenue to
Secretary
Special
Commissioners

21st May
1975

KETUA PENGARAH HASIL DALAM NEGERI
(DIRECTOR-GENERAL OF INLAND REVENUE)
MALAYSIA

SJ.694/LKS

BANGUNAN SULEIMAN,
KUALA LUMPUR

10

Tarikh: 21hb. Mai, 1975

Setiausaha,
Pesurchjaya Khas Cukai Pendapatan,
Tingkat 3, Bangunan Syarikat Polis,
Petit Surat 2338,
Kuala Lumpur.

Tuan,

Re: Encik Teoh Chai Siok
Appeal against Income Tax
assessment for year of
assessment 1974

Pursuant to Section 102(1) of the Income
Tax Act, 1967 (forward herewith the Notice
of Appeal (Form Q) dated 28hb. February, 1975
in respect of the above assessment.

I shall be pleased if you will kindly
have this case fixed for hearing.

My address for service is as stated
above.

Saya yangmenurut perintah,

Sd. Lim Kok Swee

(Lim Kok Swee)

Timbalan Ketua Pengarah Hasil Dalam
Negeri, Malaysia

s.k. Encik Teoh Chai Siok,
53, Jalan Tunku Ibrahim,
Alor Setar, Kedah.

M/s Khoo Khai Hong & Co.,
Ban Hin Lee Bank Chambers,
Room 104, Mezzanine Floor,
Beach Street,
Penang.

EXHIBITS

A73
Letter from
Revenue to
Secretary
Special
Commissioners
21st May 1975
(continued)

Peguam Kanan Persekutuan,
Jabatan Hasil Dalam Negeri,
Kuala Lumpur.

LKS/chy

B
Surat Gadnian
Tanah
25th August
1964

EXHIBITS
B

SURAT GADNIAN TANAH
25th August 1964

STATE OF KEDAH
SCHEDULE (XXI)

10

SECTION 100 ENACTMENT 56 (LANDS)

CHARGE OF S.P.B. AND LEASE OF KINGS LAND

- We, 1. Teoh Chai Siok, No.53 Jalan Tunku
Ibrahim, Alor Star,
2. Lee Thye Moke of No.2-A Pekan Melayu,
Alor Star,

who have been registered as the owners in
GRANT (Surat Putus) No.10480 dated 25.3.1338
Section 371 Area 23 4343 00 Mukim Hutan
Kampong registered at Director Office Kota
Setar subject to the Charges and other
encumbrances that have been registered against
this Title Deed (Indenture) and in considera-
tion of a sum of Dollars Five Thousand only
(\$5,000/-) loaned to me by Malayan Banking
Limited (Alor Star) and for the said amount I
have acknowledged receipt and hereby solemnly
agree to pay the said sum with interest thereon
pursuant to the terms stated below i.e. 30
payment for the principle sum of \$5,000/- and the
interest thereon for 10.3% per year as stated
in the Agreement annexed herewith as such I
charge the said land for the sum borrowed
together with interest and if I do not pay as
stated then Malayan Banking Limited (Alor Star)
can claim in Court so that the land can be
sold in an auction.

13

Affixed on 25th August, 1964

Sd: In Chinese

EXHIBITS

Teoh Chai Siok I.C.1903389
Signature of Landlord

Witness:
Sd: Lim Pek Kee
I.C. 3376418

B
Surat Gadnian
Tanah

Sd:
Lee Thye Moke I.C.1250802

25th August
1964

(continued)

MALAYAN BANKING LTD. (ALOR STAR) receive
the Charge on the terms abovementioned.

10 Sd: Mohd. Zahir bin Ismail,
Advocate & Solicitor, Alor Star.

Has been registered as SP.10480 Alor Star
Signature
Land Office, Alor Star.

Translation No.PC/1/79 Folio - Fees \$ -

Translated by Sd.

A Sworn Interpreter,
Supreme Court, Penang,
Malaysia 11/8/79

20 FEDERATION OF MALAYA
ACT OF PARLIAMENT NO. 1 OF 1960
FORM A

30 I, Mohd. Zahir bin Ismail, Advocate & Solicitor,
Alor Star, witnessed the signature of.....
which was affirmed in my presence on.....
day of.....1964, by the statement
given to me by a trusted person,.....
by which the statement is solemnly and sincerely
stated that the signature of the said party
and.....
and he declare to me that he is of full age and
executed this instrument on his own free will.

I hereby affirm my signature on 25th August,1964.

Sd:
Mohd. Zahir Bin Ismail,
Advocate & Solicitor,
Alor Star.

EXHIBITS

FORM B

B
Surat Gadnian
Tanah
25th August
1964
(continued)

I,
state (declare) that on this date that the
rubber stamp of.....
has been sealed on this instrument made
according to the said Company Rule.

I hereby affirm my signature on.....
19..

Translation No.PC/1/79 Folio - Fees \$ -

Translated by Sd.

10

A Sworn Interpreter,
Supreme Court, Penang
Malaysia

11/8/79

EXHIBITS

C

COPY OF LETTER
23rd May 1966

LCK/TCS/99/66

23rd May, 1966

10 Madam Soh Tuan,
Batu 2, Jalan Langgar,
Alor Star,
KEDAH.

REGISTERED

Dear Madam,

re: The Agreement dated 9th
March, 1966

EXHIBITS

C

Copy of
letter

23rd May
1966

20

We act on behalf of Teoh Chai Siok of No.53
Jalan Tunku Ibrahim, Alor Star, Kedah who has
entered into the above agreement with you to
purchase your land comprised in Surat Perat Putus
Kechik No.14750, Mukim Alor Malai, Kota Star,
District Kedah. The date for completion of the
agreement is on the 9th of June, 1966 and we
are instructed by our clients to inform you that
he is willing and ready to complete the purchase
of the above property contracted to be purchased
by him from you in accordance with the terms of
the said agreement and hereby requires you to
complete the same.

30

In the event of your failing to complete
the sale within the times stipulated in the
aforesaid agreement our client will seek such
relief as he may be entitled to by law.

Yours faithfully,

Sd.

c.c. Teoh Chai Siok,
53, Jalan Tunku Ibrahim,
Alor Star,
Kedah.

EXHIBITS

D

Copy of letter
20th July 1966

EXHIBITS

D

COPY OF LETTER - 20th
July 1966

99/66

20th July, 1966

Madam Soh Tuan,
Batu 2,
Jalan Langgar,
Alor Star,
Kedah.

10

Dear Madam,

Re: Agreement dated 9.3.66

We refer you to our letter of the 23rd day of May, 1966 in the above matter.

We regret to note that you have not taken any steps to prepare and execute a proper and registerable transfer relating to the land in question in favour of our client even though the time stipulated in the condition has now passed.

20

We are further instructed by our client to state that he has at all material times been ready, willing and able to complete the purchase and is still willing to do so in spite of the fact that you have not complied with the terms specified in the Agreement for Sale.

We are instructed by our client to give you Notice, as we hereby do, that he requires you to execute a proper and registerable transfer of the land in question in his favour within 14 days³⁰ from the date hereof. We also note that one Lee Too Bah had on the 28th day of July, 1963 lodged a private caveat against the property concerned and which said caveat has not yet been withdrawn. We are, therefore, instructed by our client to request you herewith to have this caveat withdrawn immediately so as the sale could be completed. Failing to comply with the above demand within the time stated above, our client will regretfully be compelled to institute such legal proceedings against you as he may be advised.

40

Yours faithfully,
Sd.

c.c. Mr. Teoh Chai Siok,
53, Jalan Tunku Ibrahim,
Alor Star, Kedah

EXHIBITS
E
COPY OF LETTER -
29th July 1966

EXHIBITS
E
Copy of letter
29th July
1966

99/66

29th July, 1966

Madam Soh Tuan,
Batu 2, Jalan Langgar,
Alor Star,
Kedah.

10 Dear Madam,

Re: Agreement dated 9.3.66

20 Acting on the instructions of our client Mr. Teoh Chai Siok we wrote to you on the 20th July, 1966 relating to the above matter. The letter was sent by registered post but same was undelivered and returned to us with the remark "Unknown" written thereon. Our client believes that you had deliberately refused to accept our letter and further he also believes that you have been at all material times residing at the abovementioned address.

30 We are now instructed by our client to write to you again and to enclose herewith the aforesaid letter dated the 20th July, 1966 which together with this letter will be personally delivered by our client to you or by his representative. Failing compliance with the demand stated in the letter of the 20th July, 1966 within 14 days hereof, our client will proceed to Court without further reference to you.

Yours faithfully,

Sd. Allen & Gledhill

c.c. Mr. Teoh Chai Siok,
53, Jalan Tunku Ibrahim,
Alor Star, Kedah.

Encl.

EXHIBITS

F

Letter from
Assistant
Registrar of
Companies
Malaysia, Pulau
Pinang

4th September
1975

EXHIBITS

F

LETTER FROM ASSISTANT
REGISTRAR OF COMPAN
MALAYSIA, PULAU PINANG
4th September 1975

Registry of Companies,
Bukit Mahkamah,
Kuala Lumpur.

4th September, 1975 10

Messrs. Lim Ewe Hock,
13 Church Street,
Penang.

Tuan,

Chai Hup & Sons Sdn.Bhd.

With reference to your letter ref:LEH/LS/TCS
dated 26th August, 1975, the following is the
list of names of the Directors as requested by
you :-

<u>Name</u>	<u>No. of Shares</u>	20
Teoh Kim Heoh 53 Jalan Tunku Ibrahim, Alor Star, Kedah	(\$1/- each) 58,000	
Tan Siew Kia @ Tan Su Kiew 53 Jalan Tunku Ibrahim, Alor Star, Kedah	290,000	
Teoh Peng Seng 53 Jalan Tunku Ibrahim, Alor Star, Kedah.	58,000	30
Teoh Kim Toon 53 Jalan Tunku Ibrahim, Alor Star, Kedah	58,000	
Teoh Peng Cheng, 53 Jalan Tunku Ibrahim, Alor Star, Kedah	58,000	
Teoh Kim Choo, 53 Jalan Tunku Ibrahim, Alor Star, Kedah	<u>58,000</u>	
	<u>580,000</u>	40

Your obedient servant,

Sd:

(M. SENGODAN)

Translation No. PC/1/79 Folio - Fees \$ -
Translated by Sd.
A Sworn Interpreter,
Supreme Court, Penang
Malaysia 11/8/79

EXHIBITS

F

Letter from
Assistant
Registrar of
Companies,
Malaysia,
Pulau Pinang

4th September
1975

(continued)

EXHIBITS

G
Accounts of
Chop Sin Hin
as at
31.12.1961

EXHIBITS

G
ACCOUNTS OF CHOP SIN HIN
AS AT 31.12.1961

Ref: OG/115857

TEOH CHAI SIOK OF CHOP SIN HIN, No.53, JALAN
TUNKU IBRAHIM, A/STAR

TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR
ENDING 31ST DECEMBER, 1961

To Stock b/forward	¥ 22,045.28	By Total Sales for	10
Purchases during the year	311,205.42	the year ¥330,793.99	
Gross Profit for the year	<u>20,274.39</u>	Stock c/ forward 22,732.10	
	<u>¥353,525.09</u>	<u>¥353,525.09</u>	
To Salary & Wages	¥ 2,680.00	By Gross Profit c/ down ¥ 20,274.39	
Transport Charges	2,143.35		
Sundry Expenses	155.40		
Food Expenses	1,611.60		
Lighting & Water-Rate	444.46		20
Telephone Fee & Rent	447.70		
House Rent	3,120.00		
Licence Fee	156.50		
Assessment	312.00		
Duty on Goods	2,290.79		
Subscription to Chamber of Commerce & General Merchant Association	63.00		
Travelling Expenses	549.45		30
Entertainment Expenses	125.80		
Printing & Stationery	199.50		
Legal Fee for Bad Debts	60.00		
Repairs & Maintenance	1,399.00		
Bank Charge & Interest	176.34		
Donation & Charity	12.00		
Depreciation on F. & Fittings 5%	110.30		
Nett Profit for the year	<u>4,217.20</u>		
	<u>¥20,274.39</u>	<u>¥20,274.39</u>	40

EXHIBITS

H
Accounts of
Chop Sin Hin
as at
31.12.1962

EXHIBITS

H
ACCOUNTS OF CHOP SIN HIN
AS AT 31.12.1962

REF: CG/115857

TEOH CHAI SIOK OF CHOP SIN HIN, No.53, JALAN
TUNKU IBRAHIM, ALOR STAR, KEDAH

TRADING AND PROFIT AND LOSS ACCOUNT FOR THE
YEAR ENDING 31ST DECEMBER, 1962

To Stock b/f	₹ 22,732.10	By Total Sales	₹320,162.20	10
Purchases	293,319.89	Stock c/f	19,744.10	
Gross Profit	23,854.31			
	<u>₹339,906.30</u>		<u>₹339,906.30</u>	
To Salary & Wages	₹ 2,833.00	By Gross Profit		
Transport charges	1,571.90	c/down	₹ 23,854.31	
Sundry expenses	291.40			
Food expenses	1,640.05			
Lighting & Water- rate	440.46			
Telephone fee & rent	348.90			20
House rent	3,200.00			
Licence fee	288.00			
Assessment & Conservancy	312.00			
Duty on goods	1,487.75			
Subscription to Chamber of Commerce & General Merchant Association	68.00			
Travelling expenses	480.70			30
Printing & Stationery	233.20			
Legal fee	10.00			
Repairs & Maintenance	15.60			
Bank charges & Interests	58.69			
Donation & Charity	54.00			
Dustbin fee	26.00			
<u>Depreciation:-</u>				
Furniture & Fittings	104.80			
Nett Profit for the year	<u>10,389.86</u>			40
	<u>₹23,854.31</u>		<u>₹23,854.31</u>	

EXHIBITS

I
Accounts of
Chop Sin Hin
as at
31.12.1963

EXHIBITS

I
ACCOUNTS OF CHOP SIN HIN
AS AT 31.12.1963

TEOH CHAI SIOK OF CHOP SIN HIN

TRADING AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED
31ST DECEMBER, 1963

Stock as at 1.1.1963	¥ 19,744.10	Sales	¥395,737.01
Purchases	376,723.08	Stock as at	
Gross Profit	24,860.93	31.12.1963	25,591.10
	<u>¥421,328.11</u>		<u>¥421,328.11</u>
Wages	¥ 3,130.00	Gross Profit	¥ 24,860.93
Transport Charges	3,143.00		
Sundry Expenses	111.15		
Food	1,746.60		
Water & Electricity Rates	425.82		
Telephone Charges	596.00		
Shop Rent	3,600.00		
Licence Fee	300.50		
House Assessment & Conservancy	312.00		
Custom Duty	1,598.99		
Subscription	60.00		
Travelling Expenses	300.25		
Printing & Stationery	188.50		
Legal Fee	175.00		
Bank Interest	202.73		
Donation	31.00		
Trade Refuse	24.00		
Employees Provident Fund	89.50		
Business Registration Fee	5.00		
Income Tax	467.20		
Depreciation	99.50		
Net Profit	8,254.19		
	<u>¥24,860.93</u>		<u>¥24,860.93</u>

EXHIBITS

J
Accounts of
Chop Sin Hin
as at
31.12.1964

EXHIBITS

J
ACCOUNTS OF CHOP SIN HIN
AS AT 31.12.1964

TEOH CHAI SIOK OF CHOP SIN HIN

TRADING AND PROFIT & LOSS ACCOUNTS FOR THE YEAR
ENDED 31ST DECEMBER, 1964

Stock at at 1.1.1964	\$25,591.10	Sales	\$431,026.46
Purchases	14,779.99	Stock as at	
Gross Profit	24,744.41	31.12.1964	34,089.04
	<u>\$465,115.50</u>		<u>\$465,115.50</u>
Salary & Wages	\$ 4,514.00	Gross Profit	\$ 24,771.41
Transport Charges	4,276.27	Padi-Field Rent	
Sundry Expenses	40.00	Received	711.00
Food	1,813.60		
Water & Electricity Rates	459.35		
Telephone Charges	361.80		
Shop Rent	3,600.00		
Licence Fee	288.00		
House Assessment & Conservancy	232.00		
Custom Duty	900.05		
Legal Fee	120.00		
Printing & Stationery	219.30		
Travelling Expenses	372.00		
Trade Refuse	24.00		
Employees Provident Fund	210.50		
Income Tax	738.00		
Donation	36.50		
Subscription	66.00		
Bank Interest	506.08		
Depreciation	95.00		
Net Profit	6,582.76		
	<u>\$25,455.41</u>		<u>\$25,455.41</u>

BALANCE SHEET AS AT 31ST DECEMBER, 1964

EXHIBITS

J
Accounts of
Chop Sin Hin
as at 31.12.1964
(continued)

LIABILITIES

ASSETS

<u>CAPITAL</u>	\$35,000.00	<u>FURNITURE & FITTINGS</u>	
<u>PROFIT & LOSS ACCOUNT</u>		Balance b/f	\$1,891.63
Balance b/f	\$7,818.04	Less: Deprecia- tion	<u>95.00</u>
Add: 1964			\$ 1,796.63
Net Profit	<u>6,582.76</u>	<u>PADI-FIELD</u>	16,722.50
<u>SUNDRY CREDITORS</u>	42,430.56	<u>DEPOSIT :-</u>	
		Water & Light	\$ 145.00
		Rent	520.00
		Telephone	<u>270.00</u>
		<u>SUNDRY DEBTORS</u>	13,134.05
		<u>TEOH CHAI SIOK</u>	12,900.00
		<u>STOCK IN TRADE</u>	34,089.04
		<u>CASH IN HAND & POST-DATED CHEQUE</u>	12,254.14
	<u>\$91,831.36</u>		<u>\$91,831.36</u>

Translation No. Folio - Fees \$ -
Translated by Sd.
A Sworn Interpreter
Supreme Court, Penang 28/9/79

EXHIBITS

K
Accounts of
Chop Sin Hin
as at
31.12.1965

EXHIBITS

K
ACCOUNTS OF CHOP SIN HIN
AS AT 31.12.1965

MONEY LENDER - TEOH CHAI SIOK

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED
31ST DECEMBER, 1965

Licence	\$ 120.00	Interest Received	\$ 357.12
Wages	60.00		
Net Profit	<u>177.12</u>		
	<u>\$ 357.12</u>		<u>\$ 357.12</u>

STATEMENT OF ARRAIRS AS AT 31ST DECEMBER, 1965

<u>CAPITAL</u>	\$12,353.00		<u>SUNDRY DEBTORS</u>	\$ 9,523.00
Addition	147.00	\$12,500.00	<u>TEOH CHAI SIOK</u>	3,260.00
<u>PROFIT & LOSS ACCOUNT</u>			<u>CASH IN HAND</u>	144.72
Balance b/f	\$ 250.60			
Add: Net Profit for the year	<u>177.12</u>	<u>427.72</u>		
		<u>\$12,927.72</u>		<u>\$12,927.72</u>

Translation No. - Folio - Fees \$ -

Translated by Sd.

A Sworn Interpreter
Supreme Court, Penant 28/9/79

EXHIBITS

TEOH CHAI SIOK OF CHOP SIN HIN

TRADING AND PROFIT & LOSS ACCOUNTS FOR THE
YEAR ENDED 31ST DECEMBER, 1965

K
Accounts of
Chop Sin Hin
as at
31.12.1965
(continued)

	Stock as at 1.1.1965	¥ 34,089.04	Sales	¥316,449.08
	Purchases	291,445.82	Stock as at	
	Gross Profit	26,616.23	31.12.1965	35,702.01
		<u>¥352,151.09</u>		<u>¥352,151.09</u>
	Salary & Wages	¥ 1,761.50	Gross Profit	¥ 26,616.23
	Transport Charges	3,871.15		
10	Sundry Expenses	146.60		
	Food	1,740.10		
	Water & Electricity	446.90		
	Telephone Charges	596.40		
	Shop Rent	3,600.00		
	Licence	1,015.50		
	House Assessment & Conservancy	240.00		
	Custom Duty	1,808.80		
	Printing & Stationery	182.50		
20	Travelling Expenses	491.00		
	Employees Provident Fund	123.00		
	Donation	76.00		
	Bank Interest	756.36		
	Car Insurance	227.00		
	Life Insurance	378.00		
	Petrol	139.40		
	General Repairs	302.80		
	Depreciation	90.00		
	Net Profit	8,623.22		
30		<u>¥26,616.23</u>		<u>¥26,616.23</u>

EXHIBITS

K

Accounts of
Chop Sin Hin
as at
31.12.1965
(continued)

BALANCE SHEET AS AT 31ST DECEMBER, 1965

LIABILITIES

CAPITAL

₹ 35,000.00

FURNITURE & FITTINGS

PROFIT & LOSS ACCOUNT

Balance b/f ₹14,400.80

Add: Net Profit
for the year 8,623.22

₹23,024.02

Less: Drawings:-

Teoh Chai Sioh
Tan Siew Kim 1,373.00

SUNDRY CREDITORS

41,384.25

SUNDRY DEBTORS

12,450.74

TEOH CHAI SIOK

12,900.00

STOCK IN TRADE

35,702.01

LORRY KA 7777

5,956.00

CASH IN HAND

11,662.39

₹98,035.27

₹98,035.27

Translation No. - Folio - Fees ₹ -
Translated by Sd.
A Sworn Interpreter
Supre Court, Penang 28/9/79

EXHIBITS

L

ACCOUNTS OF CHOP SIN HIN
AS AT 31.12.1966

EXHIBITS

L

Accounts of
Chop Sin Hin
as at
31.12.1966

MONEY LENDER - TEOH CHAI SIOK

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST
DECEMBER, 1966

10

Licence	\$ 120.00	Net Loss	\$ 135.00
Wages	15.00		
	<u>\$ 135.00</u>		<u>\$ 135.00</u>

STATEMENT OF ARRAIRS AS AT 31ST DECEMBER, 1966

<u>CAPITAL</u>	\$9,240.00	<u>SUNDRY DEBTORS</u>	\$9,523.00
<u>PROFIT & LOSS ACCOUNT</u>		<u>CASH IN HAND</u>	9.72
Balance B/f	\$427.72		
Less: Net Loss for the year	<u>135.00</u>	292.72	
	<u>\$9,532.72</u>		<u>\$9,532.72</u>

Translation No. - Folio - Fees \$ -

Translated by Sd.

20

A Sworn Interpreter
Supreme Court, Penang 28/9/79

EXHIBITSTEOH CHAI SIOK OF CHOP SIN HIN

L
Accounts of
Chop Sin Hin
as at
31.12.1966
(continued)

TRADING AND PROFIT & LOSS ACCOUNTS FOR THE YEAR
ENDED 31ST DECEMBER, 1966

Stock as at 1.1.1966	\$ 35,702.01	Sales	\$326,839.39
Purchases	297,733.45	Stock as at	
Gross Profit	26,514.61	31.12.1966	33,110.68
	<u>\$359,950.07</u>		<u>\$359,950.07</u>
Salary & Wages	\$ 2,300.00	Gross Profit	\$ 26,514.61
Transport Charges	3,139.05		
Sundry Expenses	121.00		
Food	1,800.10		
Water & Electricity	503.70		
Telephone Charges	427.90		
Shop Rent	3,600.00		
Licence	144.00		
House Assessment	288.00		
Custom Duty	1,658.41		
Printing & Stationery	176.15		
Travelling Expenses	502.00		
Employees Provident Fund	115.00		
Donation	93.00		
Bank Interest	502.02		
Car Insurance	256.09		
Petrol	610.25		
General Repairs	695.15		
Chukai Perolehan	1,756.98		
Business Registration Fee	5.00		
Income Tax	402.12		
Road Tax	1,560.00		
Depreciation	85.33		
Net Profit	5,773.36		
	<u>\$26,514.61</u>		<u>\$26,514.61</u>

EXHIBITS

M
Accounts of
Chop Sin Hin
as at
31.12.1967

EXHIBITS

M
ACCOUNTS OF CHOP SIN HIN
AS AT 31.12.1967

MONEY LENDER - TEOH CHAI SIOK

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST
DECEMBER, 1967

Licence	₹ 120.00	Net Loss	₹ 120.00
	<u>₹ 120.00</u>		<u>₹ 120.00</u>
	<u>₹ 120.00</u>		<u>₹ 120.00</u>

STATEMENT OF AFFAIRS AS AT 31ST DECEMBER, 1967

<u>LIABILITIES</u>		<u>ASSETS</u>	
<u>CAPITAL</u>	₹9,240.00	<u>SUNDRY DEBTORS</u>	₹9,523.00
Addition	<u>200.00</u>	<u>CASH IN HAND</u>	89.72
	₹9,440.00		

PROFIT & LOSS ACCOUNT

Balance b/f	₹292.72		
Less: Net			
Loss during			
the year	<u>120.00</u>	172.72	
		<u>₹9,612.72</u>	<u>₹9,612.72</u>

Translation No. - Folio - Fees \$ -

Translated by Sd.

A Sworn Interpreter
Supreme Court, Penang 28/9/79

EXHIBITS

M
Accounts of
Chop Sin Hin
as at
31.12.1967
(continued)

TEOH CHAI SIOK OF CHOP SIN HIN

TRADING AND PROFIT & LOSS ACCOUNTS FOR THE YEAR
ENDED 31ST DECEMBER, 1967

Stock as at 1.1.67	\$ 33,110.68	Sales	\$324,422.02
Purchases	297,654.65	Stock as at	
Gross Profit	27,320.00	31.12.1967	33,663.31
	<u>\$358,085.33</u>		<u>\$358,085.33</u>
Salary & Wages	\$ 2,770.00	Gross Profit	\$ 27,320.00
Transport Expenses	3,513.95		
Sundry Expenses	122.25		
Food	1,870.10		
Water & Electricity	568.00		
Telephone Charges	549.70		
Shop Rent	3,600.00		
Licence Fee	288.00		
House Assessment & Conservancy	312.00		
Custom Duty	1,740.90		
Printing & Stationery	168.50		
Travelling Expenses	550.60		
E.P.F.	132.00		
Donation	28.00		
Bank Interest	176.31		
Car Insurance	241.95		
Petrol	563.35		
General Repairs	1,156.35		
Chukai Perolehan	220.00		
Income Tax	589.08		
Road Tax	1,550.00		
Subscription	54.00		
Depreciation	81.10		
Net Profit	6,473.86		
	<u>\$27,320.00</u>		<u>\$27,320.00</u>

EXHIBITS

M

Accounts of
Chop Sin Hin
as at
31.12.1967
(continued)

BALANCE SHEET AS AT 31ST DECEMBER, 1967

<u>LIABILITIES</u>		<u>ASSETS</u>
<u>CAPITAL</u>	₹35,000.00	<u>FURNITURE & FITTINGS</u>
<u>SUNDRY CREDITORS</u>	29,358.08	Balance B/f ₹1,621.30
		Less: Deprn. 81.10
		₹ 1,540.20
<u>PROFIT & LOSS ACCOUNT</u>		<u>LORRY KA.7777</u>
Balance b/f ₹26,564.38		5,956.00
Add: Profit during the year	6,473.86	
	<u>₹33,038.24</u>	16,722.50
Less: Drawings		<u>DEPOSITS :-</u>
Teoh Chai Sioh		Water & Electricity ₹ 155.00
Tan Siew Kim	895.00	Rent 520.00
		Telephone <u>270.00</u>
		945.00
		<u>STOCK IN TRADE</u>
	32,143.24	33,663.31
		<u>SUNDRY DEBTORS</u>
		10,673.87
		<u>TEOH CHAI SIOK</u>
		9,840.00
		<u>CASH AT BANK</u>
		5,063.72
		<u>CASH IN HAND</u>
		12,096.72
		<u>₹96,501.32</u>
		<u>₹96,501.32</u>

Translation No. - Folio - Fees \$ -
Translated by Sd.
A Sworn Interpreter,
Supreme Court, Penang 28/9/79

EXHIBITS

N

ACCOUNTS OF CHOP SIN HIN
AS AT 31.12.1968

EXHIBITS

N

Accounts of
Chop Sin Hin
as at
31.12.1968

MONEY LENDER - TIOH CHAI SIOK

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST
DECEMBER, 1968

Licence	\$ 120.00	Net Loss	\$ 120.00
	<u>\$ 120.00</u>		<u>\$ 120.00</u>

STATEMENT OF AFFAIRS AS AT 31ST DECEMBER, 1968

LIABILITIES

ASSETS

<u>CAPITAL</u>	\$9,440.00	<u>SUNDRY DEBTORS</u>	\$9,523.00
Addition	<u>200.00</u>	<u>CASH IN HAND</u>	169.72
	\$9,640.00		

PROFIT & LOSS ACCOUNT

Balance b/f \$ 172.72

Less: Net Loss
during
the
year 120.00 52.72

\$9,692.72

\$9,692.72

Translation No. - Folio - Fees \$ -

Translated by Sd.

A Sworn Interpreter,
Supreme Court, Penang

EXHIBITS

N
Accounts of
Chop Sin Hin
as at
31.12.1968
(continued)

TEOH CHAI SIOK OF CHOP SIN HIN

TRADING AND PROFIT & LOSS ACCOUNTS FOR THE
YEAR ENDED 31ST DECEMBER, 1968

Stock as at 1.1.68	\$ 33,663.31	Sales	\$336,608.03
Purchases	311,928.44	Stock as at	
Gross Profit	25,093.93	31.12.68	34,077.65
	<u>\$370,685.68</u>		<u>\$370,685.68</u>
Salary & Wages	\$ 2,580.00	Gross Profit	\$ 25,093.93
Transport Expenses	2,859.95		
Sundry Expenses	371.50		
Food	1,800.00		
Water & Electricity	558.39		
Telephone Charges	585.20		
Shop Rent	3,600.00		
House Assessment & Conservancy	312.00		
Custom Duty	765.05		
Printing & Stationery	214.00		
Travelling Expenses	535.00		
E.P.F.	159.00		
Donation	63.00		
Bank Interest	106.85		
Car Insurance & Workman Compensation	266.94		
Petrol	341.89		
General Repairs	1,341.90		
Chukai Perolehan	200.00		
Income Tax	456.32		
Road Tax	1,550.00		
Licence Fee	288.00		
Depreciation	77.00		
Net Profit	6,061.94		
	<u>\$25,093.93</u>		<u>\$25,093.93</u>

BALANCE SHEET AS AT 31ST DECEMBER, 1968

EXHIBITS

N
Accounts of
Chop Sin Hin
as at
31.12.1968
(continued)

<u>LIABILITIES</u>		<u>ASSETS</u>
<u>CAPITAL</u>	₹ 35,000.00	<u>FURNITURE & FITTINGS</u>
<u>SUNDRY CREDITORS</u>	44,982.29	Balance b/f ₹1,540.20
		Less: Deprn. <u>77.00</u>
<u>PROFIT & LOSS ACCOUNT</u>		₹ 1,463.20
Balance b/f	₹32,143.24	<u>LORRY KA.7777</u>
Add: Net Profit		5,956.00
during the		<u>PADI-FIELD</u>
year	<u>6,061.94</u>	16,722.50
	₹38,205.18	<u>DEPOSITS:-</u>
Less: Drawings		Water &
Tech Chai Sioh		Electricity ₹ 155.00
Tan Siew Kim	<u>1,020.00</u>	Rent 520.00
		Telephone <u>270.00</u>
		945.00
		<u>STOCK IN TRADE</u>
		34,077.65
		<u>SUNDRY DEBTORS</u>
		16,757.68
		<u>TEOH CHAI SIOK</u>
		10,040.00
		<u>CASH IN HAND</u>
		31,205.44
		<u>₹117,167.47</u>
	<u>₹117,167.47</u>	<u>₹117,167.47</u>

Translation No. - Folio - Fees \$ -
Translated by Sd.
A Sworn Interpreter
Supreme Court, Penang 28/9/79

EXHIBITS

0

Accounts of
Chop Sin Hin
as at
31.12.1969

EXHIBITS

0

ACCOUNTS OF CHOP SIN HIN
AS AT 31.12.1969

MONEY LENDER - TEOH CHAI SIOK

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST
DECEMBER, 1969

Licence	\$ 120.00	Net Loss	\$ 120.00
	<u>\$ 120.00</u>		<u>\$ 120.00</u>

STATEMENT OF AFFAIRS AS AT 31ST DECEMBER, 1969

<u>LIABILITIES</u>		<u>ASSETS</u>	
<u>CAPITAL</u>	\$9,640.00	<u>SUNDRY DEBRORS</u>	\$9,523.00
		<u>PROFIT & LOSS ACCOUNT</u>	
		Cr. Balance b/f	\$52.72
		Less: Net Loss during the year	<u>120.00</u> 67.28
		<u>CASH IN HAND</u>	<u>49.72</u>
	<u>\$9,640.00</u>		<u>\$9,640.00</u>

Translation No. - Folio - Fees \$ -

Translated by Sd.

A Sworn Interpreter,
Supreme Court, Penang 28/9/79

TEOH CHAI SIOK OF CHOP SIN HIN

EXHIBITS

TRADING AND PROFIT & LOSS ACCOUNTS FOR THE YEAR
ENDED 31ST DECEMBER, 1969

0
Accounts of
Chop Sin Hin
as at
31.12.1969

(continued)

Stock as at 1.1.69	\$ 34,077.65	Sales	\$324,617.43
Purchases	301,948.74	Stock as at	
Gross Profit	24,552.95	31.12.69	35,961.91
	<u>\$360,579.34</u>		<u>\$360,579.34</u>

Salary & Wages	\$ 1,731.00	Gross Profit	\$ 24,552.95
Transport Charges	2,960.23		
Sundry Expenses	315.50		
Food	1,920.00		
Water & Electricity	676.04		
Telephone Charges	550.80		
Shop Rent	3,600.00		
House Assessment & Conservancy	312.00		
Custom Duty	426.00		
Printing & Stationery	225.60		
Travelling Expenses	485.00		
E.P.F.	76.00		
Donation	79.00		
Bank Interest	400.72		
Car Insurance & Workman Compensation	305.19		
Petrol	1,043.13		
General Repairs	2,063.65		
Income Tax	234.75		
Road Tax	1,550.00		
Licence	288.00		
Business Registration Fee	85.00		
Depreciation	73.20		
Net Profit	5,152.12		
	<u>\$ 24,552.95</u>		<u>\$24,552.95</u>

EXHIBITS

0

Accounts of
Chop Sin Hin
as at
31.12.1969
(continued)

BALANCE SHEET AS AT 31ST DECEMBER, 1969

<u>LIABILITIES</u>		<u>ASSETS</u>
<u>CAPITAL</u>	₹ 35,000.00	<u>FURNITURE & FITTINGS</u>
<u>SUNDRY CREDITORS</u>		Balance b/f ₹1,463.20
<u>PROFIT & LOSS ACCOUNT</u>		Less: Deprn. <u>73.20</u>
Balance b/f	₹37,185.18	<u>LORRY KA.7777</u>
Add: Net Profit		5,956.00
during the		<u>PADI-FIELD</u> ₹16,722.50
year	<u>5,152.12</u>	Less:Govt.
	₹42,337.30	Acquisition <u>2,203.13</u>
		14,519.37
Less: Drawings		<u>DEPOSITS</u>
Teoh Chai Sioh		Water &
Tan Siew Kin	<u>1,040.00</u>	Electricity ₹ 175.00
		Rent 520.00
		Telephone <u>270.00</u>
		965.00
		<u>STOCK IN TRADE</u>
		35,961.91
		<u>MOTORCYCLE KA.7181</u>
		850.00
		<u>SUNDRY DEBTORS</u>
		23,752.02
		<u>TEOH CHAI SIOK</u>
		10,140.00
		<u>CASH IN HAND &</u>
		<u>POST-DATED CHEQUE</u>
		<u>30,645.15</u>
		<u>₹124,179.45</u>
	<u>₹124,179.45</u>	

Translation No. - Folio - Fees ₹ -
Translated by Sd.
A Sworn Interpreter,
Supreme Court, Penang 28/9/79

EXHIBITS
P
ACCOUNTS OF CHOP SIN HIN
AS AT 31.12.1970

EXHIBITS
P
Accounts of
Chop Sin Hin
as at
31.12.1970

MONEY LENDER - TEOH CHAI SIOK

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST
DECEMBER, 1970

Licence	\$ 120.00	Net Loss	\$ 120.00
	<u>\$ 120.00</u>		<u>\$ 120.00</u>
	<u><u>\$ 120.00</u></u>		<u><u>\$ 120.00</u></u>

STATEMENT OF AFFAIRS AS AT 31ST DECEMBER, 1970

<u>LIABILITIES</u>		<u>ASSETS</u>	
<u>CAPITAL</u>	\$9,640.00	<u>SUNDRY DEBTORS</u>	\$8,373.28
Less: Drawings	<u>1,030.00</u> \$8,610.00	<u>PROFIT & LOSS ACCOUNT</u>	
		Balance b/f	\$ 67.28
		Add: Net Loss	
		during the	
		year	<u>120.00</u> 187.28
		<u>CASH IN HAND</u>	49.72
	<u><u>\$8,610.00</u></u>		<u><u>\$8,610.00</u></u>

Translation No. - Folio - Fees \$ -

Translated by Sd.

A Sworn Interpreter,
Supreme Court, Penang. 28/9/79

EXHIBITS

P

Accounts of
Chop Sin Hin
as at
31.12.1970
(continued)

TEOH CHAI SIOK OF CHOP SIN HIN

TRADING AND PROFIT & LOSS ACCOUNTS FOR THE YEAR
ENDED 31ST DECEMBER, 1970

Stock as at 1.1.70	\$ 35,961.91	Sales	\$307,609.10
Purchases	278,114.34	Stock as at	
Gross Profit	25,941.19	31.12.70	32,408.34
	<u>\$340,017.44</u>		<u>\$340,017.44</u>
Salary & Wages	\$ 4,183.30	Gross Profit	\$ 25,941.19
Transport Charges	2,624.29	Sales of Motor	
Sundry Expenses	472.50	Cycle KB.7181	450.00
Food	1,920.00		
Electricity Rates	402.91		
Telephone Charges	503.20		
Shop Rent	3,600.00		
Houses Assessment & Conservancy	286.00		
Custom Duty	27.90		
Printing & Stationery	89.50		
Travelling Expenses	415.00		
Employees Provident Fund	217.00		
Donation	197.00		
Bank Interest	321.40		
Car Insurance & Workman Compensation	423.75		
Petrol	574.99		
General Repairs	2,104.25		
Income Tax	549.20		
Road Tax	1,590.00		
Licence	278.50		
Water Rates	234.40		
Business Registration Fee	50.00		
Trade Refuse	121.00		
Cost of Motor Cycle KB.7181	850.00		
Depreciation:-			
Furniture & Fittings	\$ 69.50		
Motor Cycle KC.741	<u>468.00</u>	537.50	
Net Profit		3,817.60	
	<u>\$26,391.19</u>		<u>\$26,391.19</u>

BALANCE SHEET AS AT 31ST DECEMBER, 1970

EXHIBITS
P

<u>LIABILITIES</u>		<u>ASSETS</u>	
<u>CAPITAL</u>	\$ 35,000.00	<u>FURNITURE & FITTINGS</u>	
<u>SUNDRY CREDITORS</u>		Balance b/f \$1,390.00	
<u>PROFIT & LOSS ACCOUNT</u>		Less: Deprn. 69.50	\$ 1,320.50
Balance b/f	\$41,297.30	<u>LORRY KA.7777</u>	5,956.00
Add: Net Profit during the year	<u>3,817.60</u>	<u>PADI-FIELDS</u>	14,519.37
	\$45,114.90	<u>DEPOSITS:-</u>	
Less: Drawings:- Teoh Chai Sioh Tan Siew Kin	<u>1,200.00</u>	Water &	
		Electricity \$ 175.00	
		Rent 520.00	
		Telephone 270.00	965.00
		<u>STOCK IN TRADE</u>	34,408.34
		<u>MOTOR CYCLE</u>	
		<u>KA.741</u> \$1,170.00	
		Less: Deprn. 468.00	702.00
		<u>SUNDRY DEBTORS</u>	30,742.23
		<u>TEOH CHAI SIOK</u>	9,110.00
		<u>CASH IN HAND & POST-DATED CHEQUE</u>	41,372.38
			<u>\$ 137,095.82</u>

Translation No. - Folio - Fees \$ -
Translated by Sd.
A Sworn Interpreter,
Supreme Court, Penang 28/9/79

EXHIBITS

Q
 Accounts of
 Chop Sin Hin
 as at
 31.12.1971

EXHIBITS

Q
 ACCOUNTS OF CHOP SIN HIN
 AS AT 31.12.1971

TEOH CHAI SIOK OF CHOP SIN HIN

TRADING AND PROFIT & LOSS ACCOUNTS FOR THE YEAR
ENDED 31ST DECEMBER, 1971

Stock as at 1.1.71	\$ 32,408.34	Sales	\$254,188.63
Purchases	223,597.12	Stock as at	
Gross Profit	24,580.72	31.12.71	26,397.55
	<u>\$280,586.18</u>		<u>\$280,586.18</u>
Salary & Wages	\$ 2,871.00	Gross Profit	\$24,580.72
Transport Charges	2,045.40		
Sundry Expenses	579.35		
Food	1,980.00		
Electricity Rates	396.97		
Telephone Charges	628.80		
Printing & Stationery	213.50		
Travelling Expenses	450.00		
E.P.F.	144.00		
Donation	88.00		
Bank Interest	140.53		
Car Insurance & Workman Compensation	470.20		
Petrol	1,092.15		
General Repairs	2,521.25		
Legal Fee	271.40		
Road Tax	1,590.00		
Licence	228.50		
Water Rates	127.70		
Business Registration Fee	25.00		
Life Insurance	796.50		
Depreciation	66.00		
Net Profit	7,854.47		
	<u>\$24,580.72</u>		<u>\$24,580.72</u>

BALANCE SHEET AS AT 31ST DECEMBER, 1971

EXHIBITS

Q

Accounts of
Chop Sin Hin
as at
31.12.1971
(continued)

<u>LIABILITIES</u>	<u>ASSETS</u>	
<u>CAPITAL</u>	<u>FURNITURE & FITTINGS</u>	
<u>SUNDRY CREDITORS</u>	Balance b/f	1,320.50
<u>PROFIT & LOSS ACCOUNT</u>	Less: Deprn.	66.00
Balance b/f	<u>LORRY KA.7777</u>	5,956.00
Add: Net Profit	<u>PADI-FIELD</u>	14,519.37
during	Addition	41,209.50
the year	<u>MOTOR CYCLE KC.741</u>	702.00
<u>7,854.47</u>		
<u>51,769.37</u>	<u>DEPOSITS</u>	
Less: Drawings	Water &	
<u>1,200.00</u>	Electricity	175.00
	Rent	520.00
	Telephone	965.00
	<u>STOCK IN TRADE</u>	26,397.55
	<u>SUNDRY DEBTORS</u>	33,002.92
	<u>TEOH CHAI SIOK</u>	9,230.00
	<u>CASH IN HAND</u>	48,782.65
		<u>182,019.49</u>

35,000.00

Translation No. - Folio -
Translated by Sd.
A Sworn Interpreter,
Supreme Court, Penang

Fees \$ -
28/9/79

EXHIBITS

R
Accounts of
Chop Sin Hin
as at
31.12.1972

EXHIBITS

R
ACCOUNTS OF CHOP SIN HIN
AS AT 31.12.1972

MONEY-LENDER - TEOH CHAI SIOK OF NO.53
JALAN TUNKU IBRAHIM, ALOR STAR, KEDAH

Loan Licence	\$ 120.00	Interest on Loan	\$ --
		Net Loss	120.00
	<u>\$ 120.00</u>		<u>\$ 120.00</u>

BALANCE SHEET AS AT 31ST DECEMBER, 1972

<u>CAPITAL</u>	\$8,730.00	<u>LOAN DEBTORS</u>	\$8,373.00
Additions	<u>120.00</u>	<u>PROFIT & LOSS ACCOUNT</u>	
	\$8,850.00	Loss for the year	\$120.00
		Add: Previous yr's loss b/f	<u>307.28</u> 427.28
		<u>CASH IN HAND</u>	49.72
	<u>\$8,850.00</u>		<u>\$8,850.00</u>

Translation No. - Folio - Fees \$ -
Translated by Sd.
A Sworn Interpreter
Supreme Court, Penang 28/9/79

TEOH CHAI SIOK OF CHOP SIN LIN -TUNKU
IBRAHIM ROAD, ALOR STAR

EXHIBITS

R
 Accounts of
 Chop Sin Lin
 as at
 31.12.1972

TRADING & PROFIT & LOSS ACCOUNT FOR THE YEAR 1972

(continued)

Trading Stock	\$ 26,397.55	Sales	\$348,144.96
Purchases	324,390.22	Closing	
Gross Profit	25,872.34	Stock	28,515.15
	<u>\$376,660.11</u>		<u>\$376,660.11</u>

Expenditure:-

Gross Profit \$25,872.34

Salaries & Wages	\$ 2,350.00
Transport & Allowances	2,642.20
Sundry Expenses	343.00
Food for Labourers	2,100.00
Electricity & Lamps	476.47
Telephone & Rent	646.20
Printing & Stationery	235.70
Travelling Expenses	390.00
Employees Provident Fund	137.00
Donations	43.00
Bank Loan Interest	253.52
Insurance of Motor Vehicles & Labourers	437.12
Diesel & Petrol	1,557.38
Repairs & Maintenance	2,439.65
Motor Vehicles' Licence	2,468.00
Trading Licence	156.50
Water Rates	124.50
Business Registration Fee	25.00
Custom Duty	7.00
Income Tax	787.92
Quit Rent	28.00
Depreciation:-	
Equipment	62.70
Net Profit	8,161.48

\$25,872.34

\$25,872.34

EXHIBITS

R

Accounts of
Chop Sin Hin
as at
31.12.1972
(continued)

BALANCE SHEET AS AT 31ST DECEMBER, 1972

LIABILITIES

CAPITAL

₹ 35,000.00

PROFIT & LOSS ACCOUNT

Previous Yr's
Profits b/f ₹50,569.37
Add: Net Profit 8,161.48
₹58,730.85

Less: Drawings
by Self &
Wife
1,320.00

SUNDRY CREDITORS

57,410.85
99,439.14

ASSETS

EQUIPMENT ₹1,254.50
Deprecia-
tion 5% 62.70 ₹ 1,191.80

MOTOR VEHICLE KA.7777 5,956.00

PADI FIELD 55,728.87

MOTOR CYCLE KC 741 702.00

MOTOR VEHICLE KB 6737 4,550.00

DEPOSITS:-

Electricity ₹175.00
& Water
House 520.00
Telephone 270.00 965.00

CLOSING STOCK

28,515.15
28,105.92

DEBTORS

TEOH CHAI

SIOK ₹9,230.00

Addition 120.00 9,350.00

CASH IN HAND

56,785.25

₹191,849.99

₹191,849.99

Translation No. - Folio - Fees ₹ -
Translated by Sd.
A Sworn Interpreter,
Supreme Court, Penang 28/9/79

No.27 of 1978

IN THE JUDICIAL COMMITTEE OF THE PRIVY COUNCIL

O N A P P E A L

FROM THE FEDERAL COURT OF MALAYSIA
(APPELLATE JURISDICTION)
(CIVIL APPEAL NO. 109 of 1976)

B E T W E E N :

TEOH CHAI SIOK

Appellant

- and -

DIRECTOR GENERAL OF INLAND REVENUE

Respondent

RECORD OF PROCEEDINGS

GASTERS,
44 Bedford Row,
London, WC1R 4LL

Appellant's Solicitors

STEPHENSON HARWOOD,
Saddlers' Hall,
Gutter Lane,
London, EC2V 6BS

Respondent's Solicitors