

4/84

No.12 of 1982

IN THE JUDICIAL COMMITTEE OF THE PRIVY COUNCIL

O N A P P E A L

FROM THE FEDERAL COURT OF MALAYSIA  
(APPELLATE JURISDICTION)

B E T W E E N :

PANG CHOON KONG

Appellant  
(Defendant)

- and -

- 1. CHEW TENG CHEONG
- 2. LOH KIAN TEE

Respondents  
(Plaintiffs)

RECORD OF PROCEEDINGS

COWARD CHANCE,  
Royex House,  
Aldermanbury Square,  
London EC2V 7LD

Solicitors for the  
Appellant

KINGSFORD DORMAN  
14, Old Square,  
Lincoln's Inn,  
London WC2A 3UB

Solicitors for the  
Respondents

No.12 of 1982

IN THE JUDICIAL COMMITTEE OF THE PRIVY COUNCIL

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RECORD OF PROCEEDINGS

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AB7-10	Agreement between Appellant and Respondents	31st March 1973	97
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AB21	Translation of letter: State Forestry Dept. to Nathan and Yand	8th February 1975	139
AB22-25	Agreement between Appellant and Chang Lun Yuan and Lim Chung Hai	29th March 1973	94
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DOCUMENTS TRANSMITTED TO THE  
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REPRODUCED

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Affidavit of Appellant in reply	18th April 1976
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Order dismissing Summons	27th April 1976
Written submission on behalf of Plaintiffs	
Written submission on behalf of Defendant	
Notice of Motion for conditional leave to appeal to His Majesty the Yang Di Pertuan Agong	16th February 1981
Affidavit of Appellant in support of Motion	15th February 1981
Joint Affidavit of Chew Teng Cheong and Loh Kian Tee	2nd June 1981
Order granting conditional leave to appeal	7th March 1981

EXHIBITS

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Exhibit Mark	Description of Document	Date
AB11-12	First page of search on Syarikat Sastiva Bharu Sdn. Bhd. (see translation page 140)	23rd May 1977
AB13-15	First page of search on Syarikat Bertapak Pte.Ltd. (see translation page 143)	16th June 1977
AB16-18	First page of search on Syarikat Hayati Pte.Ltd. (see translation page 147)	23rd June 1977
AB20	Letter Nathan and Yang to Director of State Forestry (see translation page 138)	13th January 1975
AB21	Letter Director of State Forestry to Nathan and Yang (see translation page 139)	8th February 1975
AB34-40	Agreement between Government of State of Pahang and Syarikat Bertapak Sendirian Berhad (same as exhibit P3 page 114)	27th May 1974



IN THE JUDICIAL COMMITTEE OF THE PRIVY COUNCIL

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O N A P P E A L

FROM THE FEDERAL COURT OF MALAYSIA  
(APPELLATE JURISDICTION)

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B E T W E E N :

PANG CHOON KONG

Appellant  
(Defendant)

- and -

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1. CHEW TENG CHEONG  
2. LOH KIAN TEE

Respondents  
(Plaintiffs)

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RECORD OF PROCEEDINGS

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No.1

SPECIALLY INDORSED WRIT  
AND STATEMENT OF CLAIM

—————  
(Order 2, Rule 3)

IN THE HIGH COURT IN MALAYA AT JOHORE BAHRU  
CIVIL SUIT NO. 343/1974

In the High Court

No.1  
Specially  
indorsed Writ  
and Statement  
of Claim

4th December  
1974

20

BETWEEN:

(1) LIN WYEN PANG  
(2) CHEW TENG CHEONG  
(3) LOH KIAN TEE

Plaintiffs

- and -

PANG CHOON KONG

Defendant

THE HONOURABLE TAN SRI SARWAN SINGH GILL  
P.S.M., Chief Justice of the Federation of Malaya,  
in the name and on behalf of His Majesty the Yang  
di Pertuan Agong.

In the High Court

To:-

No.1  
Specially indorsed Writ and Statement of Claim

PANG CHOON KONG  
the abovenamed Defendant  
and/or his Solicitors,  
M/s. Yeow & Chin,  
Advocates & Solicitors,  
Johore Bahru.

4th December 1974

(continued)

WE COMMAND you, that within eight (8) days in the case of the Defendant, 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 LIN WYEN PANG, CHEW TENG CHEONG and LOH KIAN TEE, the abovenamed Plaintiffs all of No.30, Jalan Harimau Bintang, Century Garden, Johore Bahru.

10

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

WITNESS, K.N. SEGERA, Senior Assistant Registrar, of the High Court of the Federation of Malaya, this 4th day of December, 1974.

20

Sd: NATHAN & YANG

L.S. Sd: K.N.SEGERA

PLAINTIFFS'  
SOLICITORS

SENIOR ASSISTANT REGISTRAR  
HIGH COURT  
JOHORE BAHRU

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.

30

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 Johore Bahru.

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 Johore Bahru. If the Defendant enters an appearance he must also deliver a defence within fourteen days from the last day of the time limited for appearance, unless such time is extended by the Court or a Judge, otherwise judgment may be entered against him without notice, unless he has in the meantime been

40

served with a summons for judgment.

In the High  
Court

STATEMENT OF CLAIM

No.1

Specially  
indorsed Writ  
and Statement  
of Claim

4th December  
1974

(continued)

- 10
1. On or before the 20th day of March, 1973 one Au Ah Wah obtained logging rights over 18,000 acres of Forest land in the Mukim of Bera, Temerloh, in the state of Pahang which forest land is more particularly described by the Ibu Pejabat Hutan Negeri, Kuantan vide their Reference No.PHN/PHG. 122/66.
  2. The said Au Ah Wah was desirous of transferring the logging rights and the Defendant was desirous of acquiring the said logging rights.
  - 20
  3. At the request of the Defendant, the Plaintiffs introduced the said Au Ah Wah to the Defendant for the securing of the logging rights over the said 18,000 acres of forest land in consideration of which introduction the Defendant agreed to pay to the Plaintiffs the sum of \$900,000-00.
  4. Pursuant to the introduction of the Defendant to the said Au Ah Wah, an agreement dated 20th March, 1973 was entered into by the Defendant and the said Au Ah Wah whereby the Defendant purchased the logging rights from the said Au Ah Wah.
  - 30
  5. As a result of the successful conclusion of the purchase of the logging rights by the Defendant from the said Au Ah Wah, the Defendant and the Plaintiffs entered into an agreement dated 31st day of March, 1973 whereby the Defendant agreed to pay the Plaintiffs on the issue of the licence to fell timber for the first 1,000 acres by the relevant authorities the following:-
    - (a) The sum of \$540,000-00 within 2 weeks of the performance of the said Agreement dated 20th March, 1973.
    - 40
    - (b) A postdated cheque for \$360,000-00 within 6 months from the date of the first payment of \$540,000-00.
  6. The terms and conditions of the said Agreement dated 20th March, 1973 entered into between the said Au Ah Wah and the Defendant have been fully performed and all licences to fell timber in respect of

In the High  
Court

No.1  
Specially  
indorsed Writ  
and Statement  
of Claim

4th December  
1974

(continued)

the 18,000 acres were issued by the relevant authorities on or before the 30th June, 1974.

7. In spite of repeated requests made by the Plaintiffs, the Defendant has failed or neglected to pay the sum of \$540,000-00 or any part thereof and has failed or neglected to issue a postdated cheque for \$360,000-00 or any part thereof or at all.
8. Wherefore the Plaintiffs claim :- 10
- (a) the first payment of the said \$540,000-00;
  - (b) the second payment of the sum of \$360,000-00;
  - (c) Costs;
  - (d) such further or other relief as the Court deems fit and equitable.

Dated this 4th day of December 1974

Sd: NATHAN & YANG

SOLICITORS FOR THE PLAINTIFFS

And the sum of \$72-00 (or such sum as may be allowed on taxation) for costs, and also, in case the Plaintiffs obtain an order for substituted service, the further sum of \$200-00 (or such sum as may be allowed on taxation). If the amount claimed be paid to the plaintiffs on their advocates and solicitors or agents within four days from the service hereof, further proceedings will be stayed. 20

Provided that if it appears from the indorsement of the writ that the Plaintiffs are residents outside the scheduled territories as defined in the Exchange Control Ordinance, 1953, or is acting by order or on behalf of a person so resident, or if the Defendant is acting by order or on behalf of a person so resident, proceedings will only be stayed if the amount claimed is paid into Court within the said time and notice of such payment in is given to the plaintiffs, their advocates and solicitors or agents. 30

This writ was issued by Messrs. Nathan & Yang, whose address for service is at No.16C, Third Floor, Tan Chan Cheng Building, Jalan Station, Johore Bahru, solicitors for the said 40

plaintiffs who reside at No.30 Jalan Harimau  
Bintang, Century Gardens, Johore Bahru, Johore

In the High  
Court

This Writ was served by me at  
on the defendant on the day  
of

No.1  
Specially  
indorsed Writ  
and Statement  
of Claim

Indorsed this day of 1974.

4th December  
1974

(continued)

No. 2

DEFENCE

No.2  
Defence

6th January  
1975

IN THE HIGH COURT OF MALAYA AT JOHORE BAHRU

10 CIVIL SUIT NO. 343 OF 1974

Between:

1. LIN WYEN PANG  
2. CHEW TENG CHEONG  
3. LOH KIAN TEE Plaintiffs

And

PANG CHOON KONG Defendant

D E F E N C E

20 1. The Defendant does not admit and has no  
knowledge of the facts alleged in paragraphs  
1 and 2 of the Statement of Claim.

2. Save that the Plaintiffs introduced one  
Au Ah Wah to the Defendant paragraph 3 of the  
Statement of Claim is denied.

30 3. Save that the Defendant had entered into  
an Agreement (hereinafter referred to as the  
First Agreement) with one Au Ah Wah on the  
20th day of March, 1973, paragraph 4 of the  
Statement of Claim is denied and the Defendant  
averts that the logging rights referred to in  
the First Agreement did not belong to the said  
Au Ah Wah but to some thirty forest licensees  
whose names appeared in the First Agreement.

4. The Defendant further avers that it was

In the High  
Court

No.2  
Defence

6th January  
1975

(continued)

also a term of the First Agreement that it was conditional upon the consent of the said 30 licensees and the approval of the Government of Pahang being obtained by the said Au Ah Wah and these, the said Au Ah Wah had failed to obtain, thus the First Agreement fell through.

5. Further and alternatively the Defendant avers that the First Agreement was bad in law and as such it confers no right unto the Defendant.

10

6. Save that an Agreement was entered into between the Plaintiffs and the Defendant on the 31st day of March, 1973 (hereinafter referred to as the Second Agreement), paragraph 5 of the Statement of Claim is denied for the Second Agreement was made subject to the First Agreement being successfully implemented as well as a licence to fall timber for 1,000 acres being granted by the relevant authorities and neither of these two conditions were fulfilled.

20

7. Further and alternatively the Defendant avers that the Second Agreement was also bad in law.

8. Paragraph 7 of the Statement of Claim is denied.

9. Save as is herein expressly admitted the Defendant denies each and every allegation whether express or implied as if the same were set forth seriatim and expressly traversed.

10. Wherefore the Defendant prays that the claim herein be dismissed with costs.

30

Dated this 6th day of January, 1974.

Sd: YEOW & CHIN  
Solicitors for the Defendant

To:

The abovenamed Plaintiffs and/or their  
Solicitors, Messrs. Nathan & Yang,  
16C, Third Floor,  
Tan Chan Cheng Building,  
Jalan Station,  
Johore Bahru.

40

NOTES OF EVIDENCE

No.3  
Notes of  
Evidence

IN THE HIGH COURT IN MALAYA AT JOHOR BAHRU  
CIVIL SUIT NO. 343 OF 1974

27th June 1977

Between :

1. Lin Wyen Pang  
2. Chew Teng Cheong  
3. Loh Kian Tee                      Plaintiffs

And

10                      Pang Choon Kong                      Defendant

NOTES OF EVIDENCE

Before me in Open Court,  
This 27th day of June, 1977

Sd. S.Othman Ali  
Judge, Malaya

C.S. 343/74

20                      Lim Wyen Pang & 2 'Ors. v. Pang Choon Kong  
                          Masacorale for plaintiffs (R. Lai with him)  
                          Chin Hon Yan for defendant (Lim Chuen Ren  
                          with him)

Paramjothy watching brief - Awang b Hamid  
Wok.

Masacorale One witness has refused to accept  
subpoena

Gani bin Atan - not very much concerned with  
him. Minor amendments to statement of claim  
paragraph 1 add "control of"; paragraph 3  
"in consideration" to read "in their place".

Chin No objection.

30                      Court Amendments allowed

Masacorale Plaintiffs claiming \$900,000 under  
agreement between them and defendant. Defendant  
claims that Plaintiffs not entitled. Defendant's  
agreement 22.3.73 with Au Ah Wah did not  
materialize.

No.4  
Loh Kian Tee  
Examination  
27th June 1977

P.W.1 LOH KIAN TEE affirmed, states in Hockian 40 years old. Timber agent. Live at No.48C, Ho Cheng Road, Singapore 22 (Jurong). I was informed by one J.C.Khaw of Seremban of a timber concession in Bera, Pahang. He told me that a person had asked to sell the concession. I asked J.C.Khaw to produce documents. I saw the documents. The three of us (plaintiffs) wanted to buy the concession. J.C.Khaw asked us to pay him \$1,000 as goodwill money. By goodwill money, we must buy the concession. Otherwise the money will be forfeited.

10

(Mr. Upali - Khaw will be called).

I saw the documents. The concession was granted to 30 Malays and these 30 Malays authorized Au Ah Wah to sell the concession.

By Court When I met J.C.Khaw the 2 other plaintiffs were with me.

20

We agreed to purchase the concession. The three of us paid \$1,000. The timber concession was for 18,000 acres. We had to pay a deposit of \$1.2 million if we wanted to purchase the concession. We were short of fund. So we looked for other persons to participate. Second plaintiff and I went to approach one Chang Lun Yuan of Segamat. I asked him to join us. Chang said he had not enough money, but other persons could join. That other person was Pang Choon Kong, defendant. Second defendant Chang L.Yuan, defendant and I had a discussion at the house of Chang Lun Yuan in Singapore. At the discussion defendant suggested that the 3 of us should withdraw from the venture and let the defendant and Chang Lun Yuan buy the concession. Defendant offered \$50/- per acre to the 3 of us for withdrawal from the venture. The defendant asked 2nd plaintiff and I to take him to see Au Ah Wah. The three of us, defendant, J.C.Khaw, Chang Lun Yuan, his wife and Au Ah Wah had a meeting at Hilton Coffee house, Kuala Lumpur. This took place in early March 1973. At this meeting defendant and Chang Lun Yuan decided to buy the concession from Au Ah Wah and the three of us decided to withdraw from the venture. Defendant entered into an Agreement with Au Ah Wah. This agreement is dated 20th March, 1973.

30

40



I was present when this agreement was signed in the office of Au Ah Wah. The other present were 1st and 2nd plaintiff, J.C.Khaw, Chang Lun Yuan, Dato Teo Boon Kiang and another person whom I do not know.

In the High Court  
Plaintiffs' Evidence

Masacorale 2 bundles of documents. One agreed and marked AB; one bundle not agreed.

No.4  
Loh Kian Tee  
Examination

10 Examination contd. Copy of the agreement is AB 1-6. The agreement mentions a deposit of \$120,000. This sum was paid to Au Ah Wah. Chang Lun Yuan paid the sum by issuing a cheque. Then we came back.

27th June 1977

(continued)

20 On 31.3.73 the three of us entered into an agreement with the defendant. This agreement is at AB 7-10. By the agreement defendant agreed to pay us \$50/- per acre for the 18,000 acres. The agreement was to protect our interest in whole deal. The agreement was not terminated or revoked. I made enquiries. I found that defendant had purchased the concession. Timber had been felled in the area. I found 3 limited companies purchased the concession. The 3 limited companies belonged to the defendant. The companies are (1) Syarikat Bertapak Sdn.Bhd. (2) Syarikat Hayati Sdn.Bhd. (3) Syarikat Sastiva Bahru Sdn.Bhd.

30 Second plaintiff and I went to see defendant in Labis Johor and asked him for our money. Defendant told us to see Chang Lun Yuan and to ask him to pay us the money. I saw Chang Lun Yuan. He told us he had no share in the deal and asked us to get the money from the defendant, as we had entered into an agreement with the defendant. We went back to defendant. Defendant told us that he arrange a date for us to meet at Ong Ban Chai's office. We met in the office of Ong Ban Chai lawyer. Present were Ong Ban Chai, defendant, Chan Lun Yuan and the 3 of us. Ong Ban Chai was then acting both sides. The reason for the meeting was for defendant to discuss with Chang Lun Yuan the amount to be paid to us. After discussion defendant told us that we had to cancel the agreement of 31st March, 1973 then he would pay us \$40,000. We did not accept this. No settlement was reached that day. Subsequently  
40 second plaintiff and I went to see defendant again and asked him for the money as under the agreement of 31st March. Defendant told us since we had brought court action we should wait  
50 the decision of the court.

Recess at 10.20 to 10.45

In the High Court

Plaintiffs' Evidence

No.4  
Loh Kian Tee  
Examination  
27th June 1977  
(continued)

(Both parties agree that undertaking by Khaw Joo Chan to form AB - p19. AB 19).

Examination contd. AB 19 was the document shown to me by J.C.Khaw.

Cross-examination

Cross-examination by defence counsel.

Yes I am timber agent. I have been as timber agent since 1969. Now I am no longer a timber agent. I am now assisting my elder brother in his sundry shop in Singapore. I am a Singapore citizen. I was timber agent from 1969 to 1973. Apart from this I have had no other deal of this similar nature. Not correct that I can be described as some sort of general broker. I never got any licence or permit to log in any forest in Malaysia. 10

When I saw AB 19 I wanted to go into this venture but I had no sufficient fund. I agree I had not much experience in logging or timber business. \$1,000 was paid to J.C.Khaw as goodwill money. It was paid by a bank cheque. I can't remember whose cheque. It was either my cheque or first plaintiff's cheque. 20

Q. I put it to you \$1,000 cash or cheque was no paid.

A. I am sure 100% it was paid.

J.C.Khaw showed AB 19 to us in February 1973. The cheque was given to J.C.Khaw in his house in Kuantan. I can't remember whether the \$1,000 was paid at the time he showed us AB 19 or 2 or 3 days later. The 4 of us discussed matter thoroughly. I knew where the 18,000 acres forest was situated at the time. The area was in Pahang at Kuantan near the boundary of Segamat. I went to the area once only with other persons. First plaintiff was with me. The other persons are Malays from the area. I do not know their names. I went once and lived in the jungle for 2 or 3 days - about 2 or 3 days after seeing AB 19. First plaintiff and I went to the area. I agree that it was after paying \$1,000 we went to the area. 30 40

After discussion with J.C.Khaw the 3 of us

10 decided to take the 18,000 acre forest area. I told J.C.Khaw to take us to see Au Ah Wah. J.C.Khaw told me that Au Ah Wah wanted \$1.2 million for purchase of the whole area and \$120,000 to be paid as deposit I saw Au Ah Wah. Au Ah Wah told if I wanted the area I could pay \$120,000 deposit at any time. I saw Au Ah Wah one or two days after seeing AB19 J.C.Khaw took the 3 of us to see Au Ah Wah. There was no other person. At this time \$1,000 had not yet been paid. We paid \$1,000 after seeing Au Ah Wah. Later another \$500 was paid to J.C.Khaw I can't remember when this was paid. J.C.Khaw gave me receipts. Nothing else was paid. I agree the total sum paid to J.C.Khaw was \$1,500/- By goodwill money I mean that if we did not take the forest area mentioned in AB 19 that \$1,000 would forfeit to J.C.Khaw. \$500 was expenses for introduction to Au Ah Wah and expenses at  
20 Hilton Coffee House.

30 J.C.Khaw told me that Au Ah Wah had the right over the area. When I saw Au Ah Wah whether he had the right over the area he told me that he had the right. I saw Au Ah Wah several times in his office in Kuantan. All the time the other plaintiffs and J.C.Khaw were with me. Au Ah Wah told me that he had the right over the 18,000 acres at the first meeting. At this first meeting Au Ah Wah told that if we wanted to take over the area, we had to pay \$120,000 deposit towards the purchase price of \$1.2 million; the balance of \$1.8 million to be paid when the forest permit for 1000 acres was issued; \$80,000 was to be paid for every permit issued for 100 acres. I did not pay \$120,000 or anything. I agree up to today I have not paid anything. I did not enter into agreement with Au Ah Wah. Au Ah Wah did not give me any right over this.

40 The meeting at Hilton Coffee House was in early March. The 2 plaintiffs were present. At the meeting were defendant and Chang Lun Yuan decided to take over the area and the 3 of us withdrew from taking the area. We wanted to take the area but we had no sufficient money. We approached Chang Lun Yuan who agreed to join us. But he told us that he had not enough money. Chang Lun Yuan approached the defendant. At the meeting C.L.Yuan and defendant decided to buy  
50 the right and an agreement was to be prepared in Kuantan between defendant and Au Ah Wah. I did not tell Au Ah Wah that we were withdrawing from the deal. Prior to this in Singapore at

In the High Court

Plaintiffs' Evidence

No.4

Loh Kian Tee  
Cross-examination

27th June 1977

(continued)

In the High  
Court

Plaintiffs'  
Evidence

No.4

Loh Kian Tee  
Cross-  
examination

27th June 1977

(continued)

C.L.Yuan's house we had agreed to withdraw from the venture, and that we would be paid \$50/- per acre for not participating and then we would together with C.L.Yuan and defendant see Au Ah Wah in Kuala Lumpur.

I did tell Au Ah Wah that we wanted to take over the area and that he should not give the area to any other person. Au Ah Wah agreed with me. We told him that we wanted to pay the deposit of \$120,000 later on. We did not pay the deposit. 10

Agreement of 20th March was signed in Au Ah Wah's office in Kuantan. I was present. It was signed after all the discussions. All of us were in the room of Au Ah Wah - 3 of us. K.C.Khaw, Au Ah Wah, C.L.Yuan, Dato Teo Ah Khiang and the defendant.

I did not ask any right to be incorporated in this agreement as defendant had agreed to execute another agreement between defendant and the 3 of us. I agree AB 1-6 was read out and explained. The other agreement is AB 7-10. The second agreement was executed in the office of Messrs. Ong Ban Chai. Present were the 3 of us, Ong Ban Chai, Chang Lun Yuan and the defendant. 20

Adjourned at 12.20 - till 2.30

Court sits at 2.30 p.m.

Parties as before.

I wanted my right to be set out in this first agreement and to let Au Ah Wah know about the right. But defendant said it would be better not to include our right into this agreement as he wanted to enter into another agreement with us. It is not true that I told defendant and Chang Lun Yuan that I did not want Au Ah Wah to know that out of the transaction I would be getting \$50/- per acre. It is not true that I told the two that Au Ah Wah had a share in the \$50/-. 30 40

(Witness referred to AB 7 agreement of 31st March).

I agree that in clause it is stated that we relinquish the rights to the 18,000 acres. The "rights" here mean that Au Ah Wah wanted to sell the 18,000 acres to us. We intended to buy the land but we were short of money

so we approached the others to join us.  
Defendant did not want us to be in the venture.  
That's why he agreed to pay \$50/- per acre.

In the High  
Court

Plaintiffs'  
Evidence

(Witness referred to AB 8 clause 2 -  
read out to witness. "to receive.....\$90,000  
upon performance of the contract....." I  
agree by this clause that we were to receive  
the \$900,000 upon performance of the first  
agreement (of 20th March).

No.4  
Loh Kian Tee  
Cross-  
examination  
27th June 1977

10 (Witness referred to AB 4 clause 10 -  
First Party.....to obtain approval of Government  
of Pahang and consent of 30 first licences...")

(continued)

20 I agree that by the clause Au Ah Wah was  
to get approval of Pahang Government and consent  
of 30 licences within 3 months (from 20th March,  
1973). I do not know whether he got the  
approval from the Pahang Government. Au Ah Wah  
got the consent of the 30 licences after the  
3 months. Finally I came to know that Au Ah Wah  
got the approval from the Pahang Government.  
This too was after 3 months. We got approval  
from Pahang Government in June or July 1974 and  
consent of licences about this time. Now I  
say Au Ah Wah got the consent of the 30  
licences when he gave AB 19 to J.C.Khaw. I  
went to investigate. I found that approval by  
Pahang Government had been given to Au Ah Wah.  
I went to Forest office, Kuantan towards end of  
July or August 1974. I also instructed my  
30 solicitors to make enquiries from the Forest  
Office, Kuantan. We received a reply.

(Masacorale letter is at page 20 of  
documents - not agreed).

Chin I agree to this forming part of AB.

Court Letter from sols. to SFO AB20.  
AB 21 Letter from State Forest Officer.

Cross-examination contd.

40 During the 3 months I did go to Au Ah Wah's  
office. I went there once only. I asked him  
whether approval by Pahang Government had been  
obtained. He told me that approval would be  
obtained soon. He did not show me any letter  
of approval. I told him to get the approval as  
quickly as possible. He told me that he would  
try his best. I agree that on receipt of  
letter AB 21 I did not discuss with solicitors.  
Au Ah Wah himself did not get the approval from  
the Pahang Government. The 30 licences from

In the High  
Court

Plaintiffs'  
Evidence

No.4

Loh Kian Tee  
Cross-  
examination

27th June 1977

(continued)

the 3 companies. I know that Au Ah Wah had a share in one or two syarikat. I maintain that the 3 companies are under the control of the defendant.

Agreement 31st March. Chang Lun Yuan was not included because he told us to enter into the agreement with the defendant. I asked that Chang Lun Yuan be included but he said that it was unnecessary for him to be included. Chang Lun Yuan has no share in the \$50/- J.C. Khaw did not ask for a share of \$50/- Au Ah Wah has no share in the \$50.

10

Re-examination

Re-examination Timber agent's work is not confined to logging. As far as I know J.C.Khaw is an agent of Au Ah Wah. I did not enter into contract with Au Ah Wah because I was promised \$50/- per acre by defendant. The 3 of us were promised.

Chang Lun Yuan said it was not necessary for him to be in the agreement of 31st March.

20

By Court If defendant had not got the contract we would have to find someone else. We had not enough money of our own. The 3 of us could raise the deposit of \$120,000.

To a date to be fixed - 2 continuous days.

IN THE HIGH COURT IN MALAYA AT JOHOR BAHRU  
CIVIL SUIT NO. 343 OF 1974

In the High Court

Between

1. Lin Wyen Pang  
2. Chew Teng Cheong  
3. Loh Kian Tee                          Plaintiffs

Notes of Evidence

13th September 1977

And

Pang Choon Kong                          Defendant

NOTES OF EVIDENCE

10                          Before me in Open Court,  
                                    This 13th September, 1977  
                                    Sgd. S.OTHMAN ALI  
                                    JUDGE, MALAYA

9.30 a.m.  
C.S. 343/74 (cont.)

Lin Wyen Pang & 2 Ors. v. Pang Choon Kong  
Parties as before

20                          U.Masacorale Bundle of documents not agreed  
before has now been agreed upon. Letter (20)  
in bundle not agreed now already agreed upon  
and marked AB 21.

Court Bundle not agreed 19 pages then  
to be marked AB 22-40 and to be incorporated  
in AB. Index to be amended accordingly.

No. 5

KHAW JOO CHAN

No.5  
Plaintiffs'  
Evidence

No.5  
Khaw Joo Chan  
Examination

30                          P.W.2. KHAW JOO CHAN affirmed, states in  
English. 54 years old. Mining Manager.  
Syarikat Mitro Enterprise Sdn. Bhd., Pekan.  
Live at 9B, Jalan Gambut, Kuantan.

13th September 1977

I know the 3 plaintiffs. I approached  
the plaintiffs about a timber concession in  
Pahang. The concession was for logging of  
timber in the Mukim of Bera, Temerloh District.  
18,000 acres were involved. The permit was  
issued to a group of people - about 20 to 30  
Malays in Pahang. I was an agent for Au Ah Wah  
to look for prospective purchasers to work the

In the High Court

Plaintiffs' Evidence

No.5

Khaw Joo Chan Examination

13th September 1977

(continued)

rights from the Malay group. The plaintiffs were interested in the right. It was arranged that we would go and inspect the area. We inspected the area. After inspection, the plaintiffs confirmed that they were interested in the area. They paid me \$1,000/- goodwill money. It was agreed that if they did not take action by 7th March, 1973 the \$1,000 would be forfeited for my trouble. They told me that the group would buy the right. I arranged for the plaintiffs to meet Au Ah Wah. They met Au Ah Wah at his office in the first week of March, 1973. I was present at the meeting. The plaintiffs met Au Ah Wah again at Hilton Hotel, Kuala Lumpur. Present at the meeting were Au Ah Wah, the 3 plaintiffs, the defendant Mr. & Mrs. Teo, myself and 2 other persons whose names I can't remember. At the meeting they came to an agreement. It was agreed that the plaintiffs, the defendant and Mr. & Mrs. Teo were to meet at Au Ah Wah's office at Kuantan for the purpose of signing an agreement concerning the rights in the area and to pay \$120,000 as deposit. The meeting at Hilton, Kuala Lumpur was about 7th March, 1973.

10

20

I had a letter of undertaking from Au Ah Wah. It is AB 19. The date has been extended to 15th March, 1973. The handwriting at the bottom was by Au Ah Wah. Au Ah Wah promised me commission at the rate of \$10/- per acre. This commission was for finding purchaser of the right.

30

The parties met at Kuantan in Au Ah Wah's office. The parties, Au Ah Wah, myself and Mr. and Mrs. Teo and an MCA man were present. There was no one else as far as I remember. After the meeting an agreement was signed. The parties were the defendant and Au Ah Wah. Mr. Teo paid \$120,000. This cheque was issued by Mr. Teo. After signing we all left the office. As far as I know after this the defendant worked the area. I am a J.P.

40

Cross-examination

Cross-examination by Defence Counsel Chin.

I know that 1st plaintiff has an interest in mining. He is a miner. I have known him for several years. He has a mining company and a mine in Kota Tinggi. I have introduced land to him for the purpose of prospecting for tin. As far as I know he has not bought any tin mines. He has worked in tin mines. This

50



was the first occasion. I introduced the first plaintiff to logging concession. The 3 plaintiffs went to inspect the area. I did not go.

In the High Court

Plaintiffs' Evidence

No.5

Khaw Joo Chan  
Cross-examination

13th September  
1977

10

I have known 2nd plaintiff for several years. He has been in logging business. I know that he purchased logs. I have not introduced him to forest concession. I agree that this was the first time. Prior to this I had introduced him to people for the purchase of logs for export to Singapore.

(continued)

I have known third plaintiff for several years. He too is in the logging business. He has no forest concession. He buys and sells logs for export. He is some sort of middle man like 2nd plaintiff.

20

AB 19 undertaking. Au Ah Wah gave this in February, 1973. I agree that this was an option given to me to find suitable person to take over the forest right. The alteration of date 8th March, 1973 to 15th March, 1973 was made after the meeting at Hilton, Kuala Lumpur.

30

As to the handwriting, it was meant that if I found the suitable persons for Au Ah Wah, I would get \$10/- as commission per acre. I am still waiting for payment from Au Ah Wah for this. I did not ask. He offered me but I have to wait for the money. The last time I met Au Ah Wah was in this Court. I agree on paper I would be entitled to \$180,000. He has paid me for my expenses about \$2,000 or \$3,000. The last time I met him, he promised he would pay me the commission. I have not consulted any solicitor about this money.

40

The other person named in AB 19 is Chia Wai Thiam with whom I was supposed to share the \$10/- commission. As far as I know Chia too has not received his share. Chia has not made any enquiries from me about this. Chia and I had agreed to share the commission, although he was not named in the undertaking.

I do not know as a fact whether or not the defendant worked the area. I only heard that he worked the area.

I am aware that under clause 10 of the agreement Au Ah Wah was to get approval of State Government and consent of 30 licencees to enter into an agreement for the purpose of working the area by the defendant within 3 months. After

In the High Court

Plaintiffs' Evidence

No.5  
Khaw Joo Chan  
Cross-examination

13th September 1977

(continued)

the agreement I do not know what happened.

By Court As far as I was concerned the persons whom I introduced to Au Ah Wah were the plaintiffs and the defendant as the middle person. The defendant signed the agreement. The plaintiff did not. I do not know the understanding between them.

Recess 11.20 - 11.35

Re-examination

Re-examination I agree that Mr. Teo is also known as Chan Lun Yuan. I came to know the exact name just now.

10

(With consent of parties released)

No.6  
Harun bin Ismail  
Examination

13th September 1977

No. 6

HARUN BIN ISMAIL

P.W.3 Harun bin Ismail affirmed, state in English. 34 years old. Dy. Director of Forestry, Pahang.

I have worked in the Forest Department Pahang for 5 years. In 1966, 30 Malays were issued with licences to extract timber in the Mukim of Bera, Temerloh, Pahang. I have a copy of the agreement entered into between them and the Government. The licences was given to them as a group. This is the agreement - produced and marked P1.

20

(Court Since this is only copy with Government 4 photostat copies should be made. Original can then be returned to Forest Department).

30

In 1973 with the consent of 30 licencees and Pahang Government these licences were revoked conditionally. This is agreement of conditional revocation - P2. (copies to be made as above). The main part of the agreement is page 2 of P2. whereby the parties were agreed on termination of the old agreement P1 to enter into fresh agreement with the 3 Syarikats mentioned in para. (2).

Appendix A lists out 10 licensees who were to form Syarikat Hayati; Appendix B, 8 licensees who were to form Skt Bertapak; Appendix C, 12 licencees who were to form Syarikat Sastiva Baru.

In the High Court  
Plaintiffs' Evidence

10 Under P1 the area licenced out was 24,000 acres. Under P2 the area to be licenced out was 18,000 acres which had not yet been worked out. I agree each licensee under the new agreement would get 600 acres. So each company would get an area equivalent to the number of licensees who were shareholders. Skt. Hayati 6,000 acres. Skt. Bertapak 4,800 acres and Sastiva 7,200 acres.

No.6  
Harun bin Ismail  
Examination  
13th September 1977  
(continued)

Pursuant to P2 the Government entered into 3 separate agreements with the 3 companies.

P3 This is agreement with Skt. Hayati - P3.

P4 This is agreement with Skt. Bertapak - P4.

(P4 is same as AB 34-40)

P5 This agreement with Skt. Sastive Baru - P5.

20 The new agreements are in fact a continuation of the agreement P1. The first licences were issued in 1974 - one licence to each company.

I am looking at AB 21. This letter shows the licences issued at the time. The names of the contractors are shown here.

30 Licences were issued annually to these companies until now. There has been no revocation. UP to this date 10,000 acres had been worked out, balance 8,000 acres. In this area about 10 tons of timber could be obtained per acre. At the moment market price is about \$110 per ton. I agree for 18,000 acres the gross income would be about \$18 million.

Cross-examination by defence counsel.

Cross-examination

40 I have been dealing with the matter all the while. It was the desire of the Government that the 30 licencees should form a company or separate companies as it was felt that it would be easier for the Government to deal with an incorporate body rather than with 30 individuals. The Government left it to the 30 licencees as to how organise themselves. They themselves formed the 3 companies by the grouping of their choice. I can't remember the exact date.

In the High Court

Plaintiffs' Evidence

No.6  
Harun bin Ismail  
Cross-examination

13th September 1977

(continued)

Re-examination

But at the suggestion of the Forest Department, the 30 licencees showed interest in forming into companies about November 1973. It was about this time that I was informed that companies would be formed. The first licence issued in the name of the companies was for the year 1974, separate areas for each company. In 1974, 1,000 acres for each company.

Re-examination From 1974 each company was issued with licence for 1,000 acres each, for subsequent years 500 acres per year, but the Director of Forest is empowered under the agreement to fix the actual acreage to be licenced out.

10

By Court

Separate compartments were allotted to each company. Each company was only to work within the compartment allotted. Contractors are a matter for licence holders not the defendant.

20

(By consent of counsel witness released).

Adjourned at 12.35 to 2.30 p.m.

Court sits 2.45 p.m.

No.7

Dato Teo Ah Kiang  
Examination

13th September 1977

No.7

DATO TEO AH KHIANG

P.W.4 Dato Teo Ah Kiang affirmed, states in English.

40 years old. Manager, Public Bank, Johor Bahru.

On 20th March, 1973 I happened to be in office of Mr. Au Ah Wah at Kuantan. I wanted to see a friend. When I was there I saw the defendant and Mr. Chang Lun Yuan. I had nothing to do with the defendant at the time. When I was there Au Ah Wah was explaining a contract to him. When I came into the office the defendant and Mr. Chang were already there. I did not pay much attention to what they were doing as it had nothing to do with me. This was in Au Ah Wah's room. I did not notice whether the 3 plaintiffs were there. I was in the room. Au Ah Wah,

30

40

Defendant and Mr. Chang were there. The friend whom I wanted to see was the manager of an Insurance company. His office was in the same building above the chartered bank. I went there because I saw defendant whom I have known for a long time. Defendant did not ask me to be there. It was a chance meeting.

(At this stage Court recessed for 10 minutes. Counsel and witness exchanging words not relevant to case).

Examination contd. I went into Au Ah Wah's room of my own accord. That was the first time I met Au Ah Wah. I went in just for a while. After that I came out leaving defendant and Chang with Au Ah Wah. I did not see the parties signing the agreement. I did not see any payment being made. I saw an agreement being explained but I did not pay attention. I did not know before that about the agreement between Au Ah Wah and the defendant.

I have heard of the company Suburban Properties Sdn. Bhd. I am a minor shareholder in the company. I agree that the defendant is the managing director of this company. I do not know whether this company had any relationship with Hayati, Bertapak or Sastiva.

Cross-examination by defence Counsel Chin.

I can't recall what I heard. I did not pay attention. As far as I can recollect it was about a timber concession.

Re-examination Nil

(By consent of parties witness released).

No.8

CHANG LUN YUAN

P.W.5. Chang Lun Yuan affirmed, states in English. 76 years old. Timber business. Live at No.4, Jalan Tunku Ahmad, Segamat.

I remember 2 of the 3 plaintiffs approaching me. They were 2nd and 3rd plaintiffs. They told me that they wanted to introduce a logging area for me to work in. The area was 18,000 acres. I did not know who actually had the

In the High Court

Plaintiffs' Evidence

No.7

Dato Teo Ah Kiang Examination

13th September 1977

(continued)

Cross-examination

No.8  
Chang Lun Yuan  
Examination

13th September 1977

In the High Court

Plaintiffs' Evidence

No.8  
Chang Lun Yuan  
Examination  
13th September  
1977

(continued)

concession. They mentioned a price. I did not have the money to purchase the right. I told them that I would call for my friend and discuss the matter and if it was feasible would proceed with the matter. The person I had in mind was the defendant. After this a few days later I met the defendant and discussed the matter with him. We then agreed. Defendant then suggested that there should be a meeting at my house between the parties. This meeting was held in my house at Geylang, Singapore. There were 4 of us in the meeting - 2nd and 3rd plaintiffs, defendant and myself. The result of the meeting was that the 2 plaintiffs who were there would introduce me to the seller of the right. It was agreed that a commission would be paid to the 2 plaintiffs who were there if the deal was successful. The commission was \$40/- per acre if the purchasing price was agreed upon between the seller and the defendant. As far as I can remember it was \$40/-, not \$50/- per acre.

10

20

(Witness referred to agreement AB 7-9)

I am aware of the agreement. I agree that the sum agreed may be \$50/- per acre. I agree the original intention was that the 2 plaintiffs, defendant and I were to purchase the right. But this intention did not materialise. It is not correct that the plaintiffs would step out from the purchase of the right and that they would allow the 2 of us to make the purchase. It is correct to say that they would get the commission if the deal was successful.

30

After the meeting in Singapore, we met at the Hilton, Kuala Lumpur. I agree that at the Hilton defendant and I agreed to purchase the right from Au Ah Wah. At the meeting present were 2nd and 3rd plaintiffs, the defendant Au Ah Wah and myself. There were others but I can't remember.

40

On 20th March, 1973 we again met at Au Ah Wah's office in Kuantan. I can't remember the first plaintiff. I can remember 2nd and 3rd. I brought along my solicitor. I can't remember how many persons were present. P.W.4 entered the room but he did not interfere with us. The contract was signed by the defendant. I remember having signed the contract. I agree that AB 2-5 is not the agreement which I signed and that this agreement concerns the defendant only. It was

50

agreed that it was enough for one person to sign. At that time, there was no other person on our side.

The deposit \$120,000 mentioned in AB 2-5 was paid by me.

Adjourned at 4.25 p.m. till 9.00 a.m.  
14th September, 1977 - if Hari Raya on  
17th September, 1977

In the High Court

Plaintiffs'  
Evidence

No.8

Chang Lun Yuan  
Examination

13th September  
1977

(continued)

This 14th day of September, 1977

14th September  
1977

10 9.05 a.m.

P.W.5 on former oath. Examination-in-Chief continues.

20 On 20th March, 1973 after signing the agreement in Au Ah Wah's office, I agree I entered into an agreement with defendant and another person Lim Cheng Hai. The agreement is AB 22-25. I agree by the agreement I and Lim Cheng Hai delegated power to the defendant to enter into the contract. The agreement was signed in office of Ong Ban Chai, solicitor in Johore Bahru.

30 On 7th September, 1977 I and defendant entered into another agreement with Au Ah Wah. The agreement is AB 26. This agreement was to replace the agreement of 20th March which was invalid, as the three months had elapsed when the March agreement was entered into. I myself felt that the March agreement was invalid because the licences were not obtained within 3 months as stipulated in the March agreement. No one told me that the 20th March agreement was invalid. I myself was of that view. The agreement of 29th March with defendant and Lin Cheng Hai was not rescinded.

40 I am one of the contractors for Syarikat Bertapak. I am also the sole contractor for Skt. Hayati. I am a director and shareholder of Skt. Bertapak. My wife is not a director. But she is a shareholder. Madam Sin Hoon Khim is not my wife. She is my business partner. I agree that she lives in my house No.4, Jalan Tengku Ahmad. My children have shares in Syarikat Bertapak. Only my son Chang Lai Hin is a shareholder. We are not the major shareholders

In the High Court  
Plaintiff's Evidence

in the company. I am a shareholder in Syarikat Hayati. I and members of my family are not shareholders in Syarikat Sastiva Bahru.

No.8

Cross-examination by defence counsel.

Chang Lun Yuan Examination  
14th September 1977

I do not know the first plaintiff. I have seen the first plaintiff when this matter was going on. I did not know 2nd plaintiff before. I came to know him when he was introduced to me by my contractor about that matter. The 3rd plaintiff the first time I come to know him was when he came with 2nd plaintiff.

10

Cross-examination

20th March agreement. I was present when it was signed. The 3 plaintiffs were present.

September agreement signed by me, defendant and Au Ah Wah. 20th March agreement signed by defendant and Au Ah Wah. I did not sign this agreement.

By Court I trusted him. He signed the 20th March agreement alone. He was my partner. I signed the September agreement. I still trusted him.

Cross-examination (Contd.)

The September agreement refers to 15 licences. The 20th March agreement refers to 30 licences. This was because Au Ah Wah could not get licences. He could get only 15 licences. This was also one of the reasons for the new agreement. Au Ah Wah told us that the other 15 licences have gone over to some other person. He is Tan Seng Eng of Labis. I do not know whether Au Ah Wah entered into agreement with Tan Seng Eng for the 15 licences. I know Tan Seng Eng got only the right over 12 licences under Sastiva Baru. The other 3 licences went to Au Ah Wah.

20

30

By Court I agree Hayati 12 licences I am the contractor. Bertapak 8 licences. 3 contractors, myself, defendant and Lim Cheng. I agree the 3 licences came back to us. I agree that we all had 18 licences. September agreement stood. It was not altered.

Defendant did indicate that the agreement of 20th March could not go on, because the period stipulated in the agreement had elapsed and there was a change in the purchase price.

40

31st March agreement between Plaintiffs and defendant AB 7-10. When the agreement was signed I was present. This was in Ong Ban Chai's office.

Re-examination

Re-examination I know Tan Seng Eng. No arrangement was made with him. Both of us did not enter into any agreement with Tan Seng Eng.

By Court: I do not know Chan Lai Huat.

Au Ah Wah could not produce all the 30 licences to us. He could get only 18. Au Ah Wah only assisted in the formation of Hayati & Bertapak

50



companies. He had nothing to do in the formation of Sastiva Bahru.

In the High Court

Note: Court receives message that H.R.H. Sultana passed away. Court observes 1 minute silence.

Plaintiffs' Evidence

Adjourned to a date to be fixed.

No.8  
Chang Lun Yuan  
Examination

Certified true copy.

14th September  
1977  
(continued)

10

Sgd. G. S. PANSHI  
Setia-usaha kapada Hakum  
Mahkamah Tinggi  
Johore Bahru  
12.10.77

IN THE HIGH COURT IN MALAYA AT JOHORE BAHRU  
CIVIL SUIT No. 343 of 1974

In the High Court

Between

Notes of Evidence

1. Lin Wyen Pang
2. Chew Teng Cheong
3. Loh Kian Tee

Plaintiffs

29th November  
1977

And

20

Pang Choon Kong

Defendant

NOTES OF EVIDENCE

Before me in Open Court,  
This 29th day of November,  
1977

Sgd. S. Othman Ali  
Judge, Malaya

9.12 a.m.  
C.S. 343/74

30

Lim Wyen Pang & 2 ors. v. Pang Choon Kong  
Upali Masacorale for plaintiff (R.Lai with him)  
Chin Hong Ngian for defendant (Lim Chuen Ren with him)

40

Upali Masacorale I have subpoenaed 2 witnesses. Not served. Apparently three addresses Johor Bahru, Segamat and Kuala Lumpur. But I wish to call the managing director and the secretary of Syarikat Bertapak Sdn. Bhd. and Syarikat Hayati Sdn. Bhd. - to show interest of defendant in these 2 companies and contracts entered into by the companies. I ask for court order that they do attend Court. Internal jurisdiction. Order 71. Chin. I am not aware of any provision where court can issue a special order.

Court Subpoena should suffice.

Masacorale I have only one witness at the moment. Secretary is son of defendant. Calls.

No.9  
Ong Ban Chai  
Examination

P.W.6. Ong Ban Chai affirmed, states in English. 38 years old. Advocates & Solicitor. Live at 20, Jalan Wisata, Johor Bahru.

29th November  
1977

In March, 1973 I acted for the defendant for purchase of a timber concession.

(Upali Masacorale agreed Bundle of Documents freshly paginated. Now indorse pp. 1-40.

Examination cont.

10

AB 1-6 is the agreement which is now presented to me. I did not draw up the agreement. I first saw the document according to my record on 24th March, 1973, i.e. 4 days after the date of the agreement. I did not draft the agreement. I made some amendments by striking off my name as stakeholder. When agreement was signed I was not present. Before agreement was signed all parties concerned approached me and asked me whether I would act for them. I was prepared to act for them. Mr. Au Ah Wah was a party. I made the amendments because the money had been paid out direct. The parties initialled the amendments.

20

On 29th March, 1973 I prepared the agreement as in AB 22-5. I also witnessed it. I was acting for both parties in the preparation of the agreement. According to my instructions defendant, Mr. Chang (P.W.5) Lim Chung Hai were to be partners. Under the agreement defendant was given power to sign agreement with Au Ah Wah. This is amplified in clause 1 of the agreement. "Relinquishing rights" - according to instructions the plaintiff had rights over certain forest land which they had obtained from Au Ah Wah. They wanted to assign these rights to defendant. Clause 1(a) relates to payment of \$900,000 under certain conditions.

30

(Witness referred to agreement AB 1-6 clause 10 at AB 4).

40

I agree that by clause 10 there is a limit of 3 months. Performance was not within 3 months. There was a delay. Defendant did not ask me to write to Au Ah Wah for the performance of the agreement. I wrote a letter to Au Ah Wah on 16th August, 1973 asking him to perform his part of the bargain. This is a copy of letter-

10 produced no objection marked P6 (P6 letter to Au Ah Wah). I agree that time limit expired on 20th June, 1973. I did not get instructions to write earlier. I received no reply to the letter. After 3 weeks defendant instructed me to go to Kuantan. P6 contains a request for the deposit to be refunded. I went to Kuantan on 6th September, 1973. I saw Au Ah Wah on morning 7th June, 1973. Defendant was with me. In Au Ah Wah's office there was one Tan Seng Eng and some Malay men. P.W.5 Mr. Chong was there. We were there because defendant wanted to enter into a fresh agreement. with Au Ah Wah. Parties then signed the agreement, i.e. Au Ah Wah, defendant and Chong P.W.5. The agreement signed was AB 26-28. I did not witness the agreement. I did not want to be a witness as this was a fresh agreement purporting to rescind the agreement of 28th March. I also thought that it was improper for me to be a witness. The plaintiffs were not there at the time. I first saw the agreement on the morning before it was signed. I had nothing to do with the preparation of the agreement. I agree I was still solicitor for the agreement. I was consulted on that day and on the eve of the 6th. I did not amend or alter the agreement.

20  
30 I signed as witness in the agreement AB 21-33. Agreement is between Tan Seng Eng and defendant with Chang P.W.5. By the agreement Tan Seng Eng became some sort of underwriter in the event of Au Ah Wah not complying with his obligations. Agreement was entered into on 12th September, 1973.

40 After all these agreements, plaintiffs and defendant did meet in my office sometime in 1974, July 28. They discussed the question of payment under the agreement of 31st March. They did not come to any agreement about payment. There was an oral offer by defendant of \$40,000 to the plaintiffs as an ex gratia or compensation. They use Chinese word "Pei" (Hockian).

(Chinese interpreter Pei in Hockien is compensation). The plaintiffs did not accept the offer. There was a counter offer for \$450,000. Defendant turned this down. After that they left my office.

50 They met again in Lady Jade Restaurant about a couple of months later. This was after action was started. Plaintiffs and defendant were then with a mediator. I was present. The mediator was a friend of plaintiffs. We

In the High Court

Plaintiffs' Evidence

No.9

Ong Ban Chai Examination

29th November 1977

(continued)

In the High Court  
Plaintiffs' Evidence

No.9  
Ong Ban Chai Examination

29th November 1977

(continued)

Cross-examination

discussed about compensation. The same figure was mentioned. We finished "makan" but there was no solution.

Cross-examination by Chin defence counsel.  
(Witness referred to AB1-6).

Agreement of 20th March. I saw this 4 days later. Defendant brought this to me. I agree I was consulted by all parties before the agreement was signed. The consultation was in general terms. If I am not mistaken the agreement was prepared by Au Ah Wah. I did not receive money as stakeholder. So I cancelled that portion of clause 2. Parties initialled the amendment. I knew about the agreement before it was signed. Agreement not performed within 3 months. I wrote P6 on the instructions of defendant. No reply from the other side.

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I went to Kuantan on 6th September, 1973. I met defendant there. I was acting as an adviser to him.

20

Agreement of 7th September, AB 26-28 I was present when this agreement was signed. I did not witness the signature because I thought professionally it was not proper as I was acting for all parties and the plaintiffs not being there. I agree that agreement of 20th March had lapsed.

(Both counsel agree to further document - marked AB 41).

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I was aware of the recession as in AB 41 on 7th September, 1973.

(Witness referred to AB 7-10 Agreement of 31st March).

Recess from 11.05 to 11.30 a.m.

Cross-examination contd.

I did explain this agreement to the parties. They understood me.

(Witness referred to AB 31-33 Agreement of 12th September).

40

I prepared the agreement. One of the parties is Tan Seng Eng. He was the guarantor for the defendant - P.W.5 Chang.

Re-examination I am not sure whether AB 41 was shown to me before it was signed. I saw the document on that day. I am not sure whether signature was in my presence.

In the High Court

Plaintiffs' Evidence

No.9

Ong Ban Chai Re-examination

29th November 1977

10

By Court. I did not enquire why there is no reference to the rights of plaintiffs in AB 26-28. Au Ah Wah was aware of the agreement of 31st March between the plaintiffs and defendant. When I wrote last recital in agreement of 31st March I was not aware of any right between Au Ah Wah and the plaintiffs. I merely put it in the recital upon instruction by the parties including the defendant. I did not enquire whether plaintiffs obtained rights directly from Au Ah Wah. I felt that there was an omission in the first agreement of 20th March. Plaintiffs rights not mentioned there. So I advised parties to sign agreement of 31st March.

20

Upali Masacorale I have to ask for postponement. I wish to call secretary of company.

Chin I object to this application. Counsel had plenty of time. I have the accountant here. Son is not in a position to give evidence. Nominal Secretary.

12.20 both Counsel in Chambers.

Mr. Au Ah Wah not available tomorrow. Had to attend court in Kuantan.

30

Till 9.00 a.m. 30th November, 1977.

This 30th day of November, 1977

Sgd. S.Othman Ali  
Judge, High Court, Malaya

9.05 a.m.  
C.S. 343/74 (cont.)

Parties as before.

No. 10

EVIDENCE OF CHEW CHONG PENG

No.10

Chew Chong Peng Examination

30th November 1977

40

P.W.7 Chew Chong Peng affirmed, states in English. 39 years old. Practising accountant. 82, Jalan Wijaya, Johor Bahru.

In the High Court

Plaintiffs' Evidence

No.10  
Chew Chong Peng  
Examination

30th November  
1977

(continued)

I am the auditor of Syarikat Bertapak and Syarikat Hayati. I have the statement of account of these 2 companies for the year ending 1974, 1975 and 1976. I also keep the minutes of these companies - board of directors meeting. Register of membership is with me. In 1974 Syarikat Bertapak did not borrow any money. In 1975 it had a short term loan of \$56,000. In 1976 - none. There is no item in the account for the purchase of timber concession. Syarikat Hayati in 1974 no loan; in 1975 a short term loan of \$50,000; in 1976 no loan. No item in the account for the purchase of timber concession.

10

Minute book of Syarikat Bertapak - no record of resolution for purchase of timber concession in Pahang. There is no resolution granting contract to log timber in Pahang, or resolution for sale of timber. The position is the same with Syarikat Hayati.

20

Members' register Defendant is no more a shareholder in Syarikat Bertapak. He first became a shareholder in May, 1974. On 20th July, 1974 his shares were sold to Pang Yon Soong, defendant's son. The paid up capital \$90,000 - \$1/- per share. Defendant had only a \$1/- share. In Syarikat Hayati, defendant was a shareholder. He had 2 shares of \$1/- each. Paid up capital \$90,000. He became a member on 28th May, 1974 and ceased to be a member on 20th July, 1974. He was not a founder member of these companies.

30

By Court In Syarikat Hayati defendant was a director from 27th May, 1974. Ceased to be a director on 5th August, 1974. In Syarikat Bertapak he became a director on 25th May, 1974, and ceased on 5th August, 1974. The main objective is the logging and selling timber from timber concession in Pahang. The timber concession was the main assets of the companies at their inceptions.

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Cross-examination

Cross-examination by defence counsel

Syarikat Bertapak. The original share holders were 9 bumiputras. They are Wan Abdul Aziz and 8 others. Company was incorporated on 17th June, 1971. These original shareholders except 2 sold their shares to others. Syarikat Hayati original shareholders 10 Bumiputras. All of them except one or two sold

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their shares to others. In Syarikat Bertapak there are so many shareholders. I can't say who owns the most. This is the same with Syarikat Hayati.

In the High Court

Plaintiffs' Evidence

No.10

Chew Chong Peng  
Cross-examination

30th November  
1977

(continued)

Re-examination

Re-examination The concession is not shown in the accounts as assets of the companies.

10 By Court It is not done in accounting to show a concession as an asset. What will be shown is the money spent for licences, permits and premium. These items appear in the two company's account.

(Witness released).

C.F.P.

Defence counsel Chin calls.

No. 11

EVIDENCE OF PANG CHOON KONG

Defendant's Evidence

No.11

Pang Choon Kong  
Examination

30th November  
1977

20 D.W.1 Pang Choon Kong affirmed, states in Hokian. 56 years old. Merchant. Live at No.5, Jalan Bumiputra, Johor Bahru.

30 I am looking at agreement of 20th March (AB 1-6). I and Au Ah Wah entered into this agreement. I signed this after the 3 plaintiffs introduced me to Au Ah Wah. By Clause 10 Au Ah Wah undertook to get the forest licences within 3 months from the date of agreement, 20th March, 1973. The agreement relates to timber concession 28,000 acres in area in Pahang. Before signing the agreement the 3 plaintiffs and I agreed that commissions would be paid to the plaintiffs if Au Ah Wah could get the concession within 3 months. Au Ah Wah did not get the concession within the 3 months and when the three months expired I told third plaintiff Loh to go and see Au Ah Wah to expedite the matter. Third plaintiff did not give me any reply. I did not go to see Au Ah Wah. Chong told me that Au Ah Wah could not get the licences. Then I instructed Ong Ban Chai (P.W.6) to write a letter to Au Ah Wah requesting him to refund the deposit paid to him as he could not get the licences. The letter is P.6.

40 Au Ah Wah refunded the deposit. There was no

In the High Court  
Defendant's Evidence  
No.11  
Pang Choon Kong  
Examination  
30th November 1977  
(continued)

payment in cash or by cheque. We entered into another agreement on 7th September, 1973 (AB 26-28). I went to see Au Ah Wah in Kuantan on 6th September, 1973. My intention was to get back the deposit. I saw him on 6th September, 1973. I told him that the first agreement had expired and I wanted the money back. Au Ah Wah told me to collect the money in the afternoon. In the afternoon one Tan Seng Eng came into the office of Au Ah Wah. Tan Seng Eng told me that Au Ah Wah had only been able to get 15 licences and that he had not been able to contact the other 15 licences. I told Tan Seng Eng that I wanted back the deposit. 10

(Counsel: Tan Seng Eng will be called).

That afternoon Au Ah Wah did not give me back the money I saw him that afternoon. Au Ah Wah told me that he only managed to get 15 licences; he could not get all the 30. He told me that if I wanted the 15, we could enter into a fresh agreement. At first I did not want to accept this. But after listening to Tan Seng Eng I eventually agreed to take the 15. Present in Au Ah Wah's office at the time were Tan Seng Eng, Au Ah Wah and myself and Chang Lun Yuan. Ong Ban Chai was not there. He was present on the 7th September. Au Ah Wah suggested that the first agreement he rescinded as he was unable to get all the 30 licences. I agreed to the proposal. We signed AB 41 shown to me. After signing this rescission, we entered into a fresh agreement (AB 26-28). Under the agreement, Au Ah Wah was on one part and Chang Lun Yuan and I were on the other. Chang Lun Yuan and I were partners in the proposed venture. The consideration was that I was to pay each licensee \$65,000. Au Ah Wah told me this. When the fresh agreement was signed a deposit was paid. The amount was \$150,000. Actually only \$30,000 was paid that day. The \$120,000 was from the old agreement was taken into the new agreement. In the first agreement of 20th March, each licensee could get \$40,000. 20 30 40

I was persuaded by Tan Seng Eng because he convinced me that Au Ah Wah could rally the 15 licensees. I have known Tan Seng Eng from childhood in Labis. He is a timber merchant.

I signed the agreement with Tan Seng Eng as in AB 31-33 (Agreement of 12th September). This agreement was a guarantee by Tan Seng Eng to refund any money if Au Ah Wah failed to get 50



10 the 15 licensees. At the time I told Chang Lun Yuan that I would own a small percentage of partnership between the two of us. Chang Lun Yuan (P.W.5) paid more money than I did when we signed the second agreement. Eventually we managed to get 18 licences. But the agreement was not amended. At the time I was not yet a shareholder of Syarikat Bertapak. I became a shareholder in the company only in 1974. I had only two \$1/- share. At the time I was also not a shareholder of Skt. Hayati. I became a shareholder in 1974 - 2 \$1/- shares. Neither I nor any member of my family owns controlling shares in Sykt. Bertapak or in Skt. Hayati.

20 I heard the evidence of Ong Ban Chai when he said that I met plaintiffs in his office and discussed compensation to the plaintiffs. Chong Lun Yuan and I proposed \$40,000 to be paid to the plaintiffs as compensation. The 3 plaintiffs at first agreed to the offer. The \$40,000 was not paid on that day. It was agreed that payment would be made in Segamat on a certain date. One or two of the plaintiffs went to Segamat and Chang Lun Yuan. I was away from Segamat. Chang did not pay the \$40,000/-.

Recess 11.25 - 11.45.

D.W.1 Examination-in-chief continued.

30 I proposed \$40,000 compensation, because plaintiffs always came to trouble me. Sometimes they hang around the house for many hours. At first they came into the house and then I refused them admittance. They would hang around the gate. They came to bother me and I told them let the court decide the matter since they had filed the action.

40 Tan Seng Eng guaranteed the \$150,000 because the other 15 licences had connection with Tan Seng Eng. I mean that Tan Seng Eng got the other 15 licences. If I did not take the 15 licences Tan Seng Eng would not be able to get his 15 licences, as I understand the Forest Department would only deal with 30 licences for the 30 licences together. Subsequently I got 3 more licences from Tan Seng Eng's group because these 3 did not want to be in Tan Seng Eng's group. We had to pay \$65,000 each to the 3 licences as we had done to the other 15. Each licensee was given 600 acres; 18 licences the total area 10,800 acres. Sykt. Bertapak and Sykt. Hayati worked on this area. There

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In the High Court

Defendant's Evidence

No.11

Pang Choon Kong Examination

30th November 1977

(continued)

In the High Court  
Defendant's Evidence  
No.11  
Pang Choon Kong  
Examination  
30th November 1977  
(continued)

were other expenses incurred for the commission. Au Ah Wah was paid \$80 per acre. This is mentioned in the agreement of 7th September, Clause 6. Dato Lim Chit Thong was paid altogether over \$420,000. Dato Lam had been working on the concession for the 30 licences before we got in. Skyt Bertapak and Hayati paid the \$420,000. The 30 licences owed Dato Lam this sum as a result of a court case. I can't remember which court. If the 2 companies did not pay the sum, the Forest Dept. would not issue the licences. No other expenses were incurred.

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Skt. Sastiva. I have nothing to do with this company. I do not hold any share in this company.

Adjourned at 12.20 - till 2.30 p.m.

Court sits at 2.30 p.m. Parties as before

D.W.1 on former oath

Cross-examination

Cross-examination by plaintiffs counsel Masacorale. 97, Jalan Dato Suleiman, Johor Bahru was my address 3 years ago. 103 Jalan Dato Suleiman is not my address. I have a house in Labis, but not in Segamat. No.6 Labis, New Village.

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The first person who spoke to me about the purchase of the timber concession were the 2nd and 3rd plaintiffs. It was in Chang Lun Yuan's house when they spoke to me. We discussed about this forest land. I was told the area was 18,000 acres in the District of Temerloh. I knew that at the time Dato Lam Chit Thong had the right over the forest land. They told me that Dato Lam was no longer working on the land and they had an option over the land. They did not show me the option. I told 2nd and 3rd plaintiffs that they should introduce me to the holder of the licence since they had the option. There were to have no part in the negotiation. They were merely to introduce me. It is correct the P.W.5 invited me to his house. P.W.5 told me to come to his house to discuss the forest land. Before this he did discuss the matter with me. The discussion was to buy over the logging right. At first he did not mention from whom. It was not that I should buy over the right myself. P.W.5 and I were to be partners to buy over the right. We were not buying the option from the plaintiffs. I did not see the options. It was not a matter of reviewing an

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option. It is not correct that the discussion was about the plaintiffs joining me and P.W.5 as partners to buy the right. On that day it is not correct that I agreed to pay them \$50/- per acre if they allowed me and P.W.5 to buy the right. This was later. \$50 per acre was to be paid to them was suggested by them later. I accepted the suggestion. This happened after meeting Mr. Au Ah Wah in K.L. It is not true that I agreed to this before I met Au Ah Wah in Kuala Lumpur.

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After the meeting in Kuala Lumpur I agree that Au Ah Wah and I signed the agreement of 20th March. There was a time limit for Au Ah Wah to get the licences. I agree that there was a provision for Au Ah Wah to return the deposit money immediately if he did not obtain the licences within the specified time. I agree that the agreement would expire on 20th June, 1973. After this date in June, I did phone up Au Ah Wah asking him the position. Au Ah Wah told me that the licences would be issued in about 2 weeks time. He told me to wait a while. Within the 2 weeks I phoned him up again. P.W.5 Chang Lun Yuan also phoned him up. Again he told me to wait for another 2 weeks. I waited for 2 weeks and more. Then I instructed Ong Ban Chai to write a letter to him. The letter is P6 dated 16th August, 1973. In examination-in-chief I did not mention about telephone calls because I was not asked the question. When 3rd plaintiff rang me up I told him he should see Au Ah Wah. I am telling the truth. I agree that Ong Ban Chai was my solicitor. I did not go to see my solicitor first because I wanted to get the true position from Au Ah Wah. Since I knew Au Ah Wah I felt that there was no need to consult a solicitor over a small matter. I felt that this was a matter which did not require the services of a solicitor. This is what I mean by small matter. I felt that I could do the thing myself better. When Au Ah Wah postponed the matter several times, then only I went to see my solicitor. I felt that solicitor should handle the matter at that stage. I think that I did see my solicitor after 16th August. I am not certain when. I went to see him to inform him that I would be going to Kuantan to see Au Ah Wah in a few days time. I sent to Ong Ban Chai's office to inform him this - much earlier than 5th September I can't remember the date. I went to Kuantan either on 5th or 6th September. I did not ask Ong Ban Chai about the letter of 16th August, 1973

In the High Court

Defendant's Evidence

No.11  
Pang Choon Kong

Cross-Examination

30th November 1977

(continued)

In the High Court

Defendant's Evidence

No.11

Pang Choon Kong  
Cross-examination

30th November 1977

(continued)

P6. I agree that the letter asked for a refund of \$120,000 within a week. I was interested in the \$120,000. I knew that Au Ah Wah had not sent the money. That was why I was going to Kuantan myself.

The trip to Kuantan was on my own initiative. I did not inform Au Ah Wah before hand. When I saw Ong Ban Chai I did not tell him to accompany me to Kuantan. After seeing Au Ah Wah on 6th September then I phoned up Ong Ban Chai asking him to be in Kuantan the next day. I wanted him to be present because of a fresh agreement to be signed. I came to know about this in the afternoon of 6th September. Au Ah Wah had not yet shown me the agreement.

10

By Court I do not know English. If I had been shown the agreement I would not have know what it was all about.

I saw Au Ah Wah in the afternoon of the 6th . Au Ah Wah merely asked me if I wanted to buy over the 15 licences. At first I did not agree. Only after I met Tan Seng Eng I agreed to buy over the 15 licences. This was in the afternoon of the 6th September.

20

On 7th September we met in the office of Au Ah Wah. Ong Ban Chai was also in the office. He came in later than I did. I agree that it was for the purpose of signing a fresh agreement. I signed the agreement, in the afternoon. Ong Ban Chai did go through the agreement. He told me that it would be alright for me to sign. (Witness referred to Agreement AB 26-28). A friend of Tan Seng Eng signed as a witness to the signature of mine and P.W.5. I do not know why he did not want to sign as a witness. Apart from the agreement Au Ah Wah and I signed the rescission document. The rescission was signed first. I first saw AB41 on 7th September. This was discussed on 6th September. Au Ah Wah told me this was to rescind the agreement of 20th March. Ong Ban Chai told me that it was alright to sign AB41. I can't explain why there is no witness. Au Ah Wah told me that AB 41 need not be stamped. I did not ask Ong Ban Chai whether AB 41 was required to be stamped. It is not correct that I intended to deceive anyone by AB 41. Both parties agreed to the rescission. I do not understand whether the rescission was more advantageous to me. I considered the rescission of the first agreement to be a loss

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as I could not get all the 30 licences as in the first agreement.

In the High Court

Adjourned at 4.10. To a date to be fixed.

Defendant's Evidence

Certified true copy.

Sgd. G.S.PANSHI  
Setia-usaha Kapada Hakim  
Mahkamah Tinggi  
Johore Bahru  
21/1/78

No.11  
Pang Choon Kong  
Cross-examination  
30th November 1977  
(continued)

10 9.15 a.m.  
C.S. 343/74 (cont.)

Lin Wyen Pang & 2 Ors. v. Pang Choon Kong.  
Parties as before.

13th March 1978

D.W.1. affirmed, states in Hockien.

Cross-examination contd.

20 I asked 3rd plaintiff to ask Au Ah Wah to expedite the getting of the licences. This was within the 3 months period. I did not ask him after the 3 months. I do not agree that I am lying. What I did was that after the 3 months I phoned up Au Ah Wah. He kept postponing about the licences. After the 3 months I lost confidence in Au Ah Wah. I did not believe him. That is why I engage Ong Ban Chai to get the deposit from him. I agree before 16th August, 1973 I tried to do things myself. On 16th August 1973 I engaged Ong Ban Chai. I can't remember exact date. I agree that after the letter I did not contact Ong Ban Chai.

30 It is after this I went to Kuantan to see Au Ah Wah. I did not do anything between the period 16th August to 6th September 1973 when I went to Kuantan. I agree on 7th Sept. 1973 when I signed Agreement AB26. I phoned up Ong Ban Shai to come up to Kuantan. I believe that the Agreement was stamped. I agree on same date I signed AB41 rescission of contract 20th March. I can't say if I got the advice of Ong Ban Chai. I know the contents of the document.

40 Au Ah Wah told me the contents. Ong Ban Chai was present. I am telling the truth.

Chang Lun Yuan and I got 18 licences. We got these because earlier we had signed an agreement whereby we would get 15 licences. The other 15 licences went to Tan Seng Eng.

In the High  
Court

Defendant's  
Evidence

No.11  
Pang Choon  
Kong  
Cross-  
examination  
13th March  
1978

(continued)

But 3 of Tan Seng Eng's licences decided to join Au Ah Wah's side. We got these 3 from Au Ah Wah. These 18 licences were not transferred to me. But 2 private limited companies were formed for these 18 licences. The companies were Hayati and Bertapak. Tan Seng Eng took over the other 12 licences.

I agree I had to pay \$420,000 to Dato Lim Chit Yong. When I signed agreement AB 26 - 28 on 7th September, 1973 I did not know that I had to make this payment. I did not actually make the payment. Chang Lun Yuan made the payment on behalf of the 2 companies, Bertapak and Hayati. I agree that he advanced the money for the companies. I do not know whether this payment is shown in the accounts. I can't say why the accountant P.W.7 said that this payment was not in the accounts. I was not in charge of the business.

10

Court Should we be concerned with all this? The main issue for trial is whether plaintiffs are entitled to \$50/- per acre as commission.

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Cross-examination contd. I agree that I was a director of Bertapak and Hayati, on 25th and 27th May, 1974, respectively. I became a director because I signed the agreement. I agree that the 18 licences were issued in the names of the 2 companies. I am referring the agreement I signed with Au Ah Wah and not with the Government with the licences.

30

I do not know when the agreements with the Government of Pahang were signed. All these were done by Au Ah Wah. I was not a party to the agreements.

I had nothing to do with Syarikat Sastiva Baru. I do not know whether this company had the other 12 licences. At the discussion stage I knew that Tan Seng Eng had the 12 licences. It is not true that I financed Tan Seng Eng. It is not true that I got the benefits of logging contracts of Tan Seng Eng. It is not true that I arranged with Au Ah Wah for Bertapak and Hayati to get 18 licences and Sastiva Baru to get 12 licence.

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Recess 10.25 - 11.00 a.m.

10 Re-examination The companies had to pay Dato Lim Chit Thong \$420,000 because he had been working on the forest under the 30 licences; the 30 licensees did not want Dato Lim then there were litigations between the 30 licencees and Dato Lim; the court decided that the 30 licencees had to pay Dato Lim over \$700,000. This \$700,000 was in respect of 18,000 acres. \$420,000 is the proportional figure in respect of the area held under 18 licences i.e. 10,800 acres. The 2 companies paid for the 18 licencees. If the payment was not made the Pahang Government would not issue licences in respect of the 18 licencees.

In the High Court  
Defendant's Evidence  
No.11  
Pang Choon Kong  
Re-examination  
13th March 1978

Au Ah Wah did explain to me over the phone that he could get the license within a few days' time.

20 By Court: I do not know why Au Ah Wah did not embody the rescission in AB 26-28. I agree the second preamble mentions this.

Chin Subpoena served on Au Ah Wah. He is not here to attend High Court case. Served on yesterday. Subpoena issued on 5th March, 1978. Not an easy man to locate. We had to send our clerk on Saturday. Then he managed to locate and serve on him. I ask for recess till tomorrow. We have 2 more days. Another witness from Labis - also not here.

11.15 a.m.

30 Till 9.00 - 14th March, 1978.

This 14th March, 1978

14th March 1978

Parties as before

Defence calls.

No.12

EVIDENCE OF AU AH WAH

Defendant's Evidence

No.12

Au Ah Wah Examination

40 D.W.2 Au Ah Wah affirmed, states in English. 56 years old. Advocate and Solicitor, Kuantan. I am looking at AB 19. This undertaking was signed by me. I know this Khaw Joo Chan. He came to see me many times before I gave him this note. After I gave him this note, he called me to Kuala Lumpur to the Hilton Hotel. At the Hilton, Khaw brought along a crowd of people. Some of the people were my

14th March 1978

In the High Court

Defendant's Evidence

No.12  
Au Ah Wah  
Examination  
14th March  
1978

(continued)

friends. The defendant was one of them. Among the others in the crowd was Mr. Chang Lun Yuan. The others were strangers to me. I can't remember if any of the plaintiffs were there. We had tea. The right over the forest land in AB 19 was discussed. Enquiries were made from me regarding the size of the area, the number of licences and the cost to acquire the right. The talk was merely exploratory. No concrete decisions were made by anyone at the time. Then I returned to Kuantan. In Kuantan a lot of people came to see me about this forest area. I surmised that most of them were brokers. I did not promise anyone anything concerning the forest area, except to Khaw as in AB19. I can't remember if any of the plaintiffs saw me. 10

After the meeting at Hilton, I thought the matter was over. Sometime in March 1973 defendant came to see me at my office in Kuantan. He came with someone whom I can't recollect. Defendant came into my room alone. He expressed to me a desire to acquire the right in respect of this forest land. I saw that defendant's proposals were genuine. I drew up a draft agreement. Defendant took it with him saying that he would consult his solicitors. Subsequently some days later - I can't remember how long - he came to see me in Kuantan. He came into my room alone. There were some slight alterations to the draft. I did not agree to the alterations. I told defendant so. I insisted on terms and conditions as in my draft. 20 30

I am looking at AB 1-6. Both of us signed this agreement on the 20th March, 1973. There are cancellations in clause 2. I did not agree to M/s. Ong Ban Chai being the stakeholder. Defendant told me that his solicitors were Messrs. Ong Ban Chai of Johore Bahru. As far as I can remember Mr. Ong Ban Chai was not present in the office at the time, but my staff was present. No stranger was present. 40

Enclosure A to the agreement i.e. AB 6 contains the names of the licencees. There are 30 of them. These 30 licencees had licences in the forest area containing in all 28,000 acres.

(Witness referred to second preamble).

These 30 licencees gave me the right over 18,000 acres of the timber. Under the agreement I was transferring this agreement and right to defendant for a total consideration of \$1.2 million; a deposit of \$120,000 was paid, Under 50



10 clause 3 I was to form a company. The reason  
 for this was that the 30 licencees were at  
 logger heads, because of this I took them to  
 see the H.B. and then the State Forest Officer.  
 As a result of this the Government advised  
 them to form a company for holding rights over  
 the area. The shareholders were to be the 30  
 licencees. This is set out in clause 4. By  
 clause 10 I agreed to obtain Government approval  
 and the consent of 30 licencees to enter into  
 agreement in clause 4 within a period of 3  
 months from the date of agreement 20th March,  
 1973. The last day would have been 20th June,  
 1973. I found that I could not comply with this  
 condition in the time agreed. The reasons were  
 the 30 licencees were gain at loggerheads. This  
 time they divided into factions. At the time a  
 company was in the course of being formed. But  
 20 than I found that the licensees had divided  
 themselves into 3 factions. As a result I took  
 them to see the State Forest Officer, who  
 advised that if they could not form themselves  
 into one, they could form themselves into  
 different companies. Because of the quarrels  
 among the 30 licencees, the Forest Department  
 had suspended the licences.

30 By clause 4 it was agreed that if I could  
 not perform my part within 3 months as stipulated  
 in clause 10 I was to refund the deposit \$120,000  
 less \$5,000 expenses. A company was formed  
 about the period. I can't remember when it was  
 during the 3 months period or after. No company  
 consisting all the 30 licencees was formed.  
 Eventually I was responsible for the formation  
 of 2 companies consisting of 18 licences. The  
 other 12 ran out on me. The 2 companies which  
 I formed were Hayati and Bertapak. Hayati was  
 formed on 2nd February 1974. Bertapak at the  
 time was an existing company. The shareholders  
 40 were persons other than the 8 licencees who took  
 over the company after the formation of Hayati.  
 In Hayati there were 10 licencees.

50 When I could not fulfil clause 10 I received  
 a letter from defendant's solicitors saying that  
 defendant was terminating the agreement and  
 asking me to refund the deposit. The letter is  
 P6 shown to me. As far as I was concerned  
 Agreement AB 1-6 was terminated, and I had to  
 refund the money. I wanted to refund the deposit  
 to the defendant. Defendant came to see me in  
 Kuantan one day. He came to see me in the morning.  
 I asked him to come back in the afternoon. When  
 he came back in the afternoon we had a discussion.

In the High  
 Court  
 Defendant's  
 Evidence  
 No.12  
 Au Ah Wah  
 Examination  
 14th March  
 1978  
 (continued)

In the High Court

Defendant's Evidence

No.12  
Au Ah Wah  
Examination  
14th March  
1978

(continued)

He asked me why I could not get the 30 licences. I told him that some of the 30 licences were backing out on their words. He asked me how many licences I could get. I told him that the old agreement AB 1-6 could not remain, as the licences wanted more money for selling their rights. It was the start of negotiation. Under the old agreement each licensee wanted \$40,000 under the new agreement, each wanted \$65,000-00 in respect of his right.

10

I am looking at AB 41. I signed this agreement with defendant. The intention was to revoke the old agreement. At the time defendant had someone with him. That person was a Mr. Tan, whom I found out later had been causing dissension among the 30 licences.

Recess 11.00 - 11.20 a.m.

Examination cont. As a result I could not get all the 30 licences.

After I received the letter P6, the defendant contacted me. In fact he contacted me a number of occasions after the old agreement had been signed. After the 3 months had lapsed he continued to phone me. I told I was doing my best and I had seen the proper authorities. After I received P6 the defendant came to see me in Kuantan. He told me that since I could not fulfil the agreement, it would be best that I returned to him the money. So the rescission was agreed.

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30

I am looking at AB 26-28. I signed this after the rescission. Defendant and Chang Lun Yuan signed as one party. It is correct that the agreement relates to the 18,000 acres. Here it is mentioned on the form 24,000 acres less 6,000 acres which had been worked. In clause 3 reference is made to 15 licences. Originally there was 30 licences. Mr. Tan came in and there was dissension among the 30. Only 15 then agreed to be with me. Each licensee wanted \$55,000 plus \$10,000 total \$65,000. Under the old agreement he would have got only \$40,000. Each had 600 acres over the same area. I have to explain that the Government approval to the licences were 24,000 acres jointly amongst the 30 licences. No individual licence was issued to each licensee. They all had a common area. A licence covering 1,000 acres was issued to all the 30 for the purpose of a working compartment at a time.

40

50

10 The other 15 licensees had gone over to Mr. Tan. His full name is Tan Seng Eng. After this new agreement was signed. 3 from Tan came back to me. So I had altogether 18 - not 15 as stated in the agreement. Then I and the 18 licensees went to see the State Forest Officer. He told us that all the 30 must be present before decision could be reached. Finally Tan's group and my group went to see the State Forest Officer. We were told to form into companies. In my case, no decision could be made by the Government as there was a claim by a third party against the licensees. The third party was Lum Chit Tong. Eventually the companies were formed. Hayati and Bertapak. These 2 companies signed separate agreements with the Pahang Government. Hayati received 6,000 acres and Bertapak 4,800 acres. 6,000 acres for 10 licensees and 4,800 for 8 licensees. The other 20 12 licensees I understand formed another company known as Sasitive.

I never gave the plaintiffs or any of them any of the rights over the 18,000 acres of the forest land or any part of the 18,000 acres. I can't even remember if I have seen any of them.

30 The 2 companies paid Lum Chit Tong a sum of over \$400,000. Lum Chit Tong had a claim against the 30 licensees. They had sold their rights to Lum Chit Tong who at the time was working the area. They terminated the agreement with Lum Chit Tong. The forest department told me that my 18 licensees must pay \$400,000 otherwise no licence would be issued.

Cross-examination by plaintiffs' counsel.

40 I know J.C.Khaw very well. He is a J.P. He came to see me many times. He wanted an option from me. I agreed in the end. I gave him option AB 19. This undertaking is not binding on me or anyone. By this it was intended to be an option without prejudice. I agree that later Mr. Khaw asked me to meet him in Hilton in Kuala Lumpur. Defendant is an old friend. Mr. Chang too was an old friend. I remember that there was an old lady. I did not know that she was the wife of Chang Lun Yuen. I don't think that any of the plaintiffs were there. It is possible that they were there but I cannot recognise them. The talk was merely exploratory. No one decided to buy the right. 50 I can't remember when they met in Hilton.

In the High Court

Defendant's Evidence

No.12

Au Ah Wah Examination

14th March 1978

(continued)

Cross-examination

In the High Court

Defendant's Evidence

No.12  
Au Ah Wah  
Cross-examination

14th March  
1978

(continued)

When he first came to see me in Kuantan in my office he was alone. He wanted the forest area. As far as Hilton meeting was concerned I thought it was a failure. J.C. Khaw did not tell me that he wanted to exercise an option. I did not give him any option. He had been asking for an option. I was reluctant to give him because I knew he would be hawking the option. He wanted me to give some document. So I gave him AB 19. I would describe AB 19 as a without prejudice option. He brought a host of people into my office. He claimed that they were interested purchasers. I can't recollect if I have seen any of the plaintiffs in my office or outside. It is possible that J.C. Khaw have taken them before me in the office.

10

When defendant first met me in Kuantan he showed a genuine interest. So I drafted the agreement. I can't remember the date. I agree it could not be 20th Monday as the agreement was signed subsequently. He took the draft with him. He told me he wanted to consult his solicitors, whom I came to know later to be M/s. Ong Ban Chai. I agree that it was at a subsequent meeting that we signed the agreement on 20th March. Messrs. Ong Ban Chai's draft contained that the deposit shall be kept by his firm. I did not agree to this.

20

Adjourned at 12.30 p.m.

30

Court sits at 2.20 p.m.

Parties as before.  
D.W.2 on former oath.

I do not agree that Mr. Ong Ban Chai deleted part of clause 2 AB2. I am looking at a copy of AB2 shown to me. I agree that this copy has no deletion. It was I who insisted the deletion. It was I who made the deletion. I initialled the amendment. Defendant also initialled it.

(Chin I have not seen the original. Only the photo copy was shown).

40

On 20th March, 1973 only defendant was in my office, when this agreement was signed. Chang Lun Chuan could have been outside the Chambers. None of the plaintiffs were there. I do not know if they were outside. It is not true that Chang Lum Chuan and the plaintiffs were in my chambers. I was paid the deposit of \$120,000 by cheque.

Defendant paid me. I received the cheque from Defendant. I can't say whose cheque it was. Mr. Ong Ban Chai was not present at the time. Whether he should be present or not was a matter for the defendant.

In the High Court

Defendant's Evidence

No.12  
Au Ah Wah  
Cross-examination  
14th March  
1978

10 I can't remember when I took the 30 licences in the first instance, whether before or after 20th March, 1974. It was then that they were informed that they must form a company. At that time the authorities did not say they should form 2 or 3 companies.

(continued)

20 Defendant asked me on the phone whether I was able to perform the agreement. I said I was trying to. This happened a number of times. After I received the letter P6 defendant came to see me in Kuantan. He came with somebody. But he talked to me alone. I think Mr. Ong Ban Chai was around. He enquired why I could not get the 30 licences. I told him that somebody was interfering with the licencees and some licencees had a change of heart. At the time I was confident of getting 15. Defendant was not happy. He wanted the money back as he considered that the agreement had been revoked. I told him to come back in the afternoon for the money. I can't remember the date either 6th or 7th September, I did not give him the money. He came with Tan Eng Seng. Defendant then told me he was willing to take the 15. I agree that there was a change of heart by him. Then we entered into agreement AB26. He was with Chang Lun Yuan. The agreement was signed sometime in the evening. Chang Lun Yuan came with defendant.

30

AB 41 rescission. This was signed before AB 26 in the morning. The second preamble of AB26 relates to rescission. Word "desires" was used because agreement had been prepared first. This agreement was in the course of being typed, when AB41 was signed.

40

The parties signed AB41. Witnesses not necessary. I think Mr. Ong Ban Chai was around.

50

AB 1-6 agreement 21st March, 1978. I agree in this I claim to have right over 18,000 acres of forest land. The 30 licensees gave me the right. We entered into some agreement. I do not have the document with me. I agree I was forming company intended to consist of all 30 licences. The company intended to consist all the 30 licences was never formed. The name intended for that company was Hayati.

In the High Court

Defendant's Evidence

No.12  
Au Ah Wah  
Cross-examination

14th March  
1978

(continued)

Clause 4 days I must get 30. I could not get them all.

Clause 10 "within a period of 3 months" from the date of the agreement. I agree that within the period I was unable to form even the company. I do not agree the period of 3 months should run from obtaining the approval of the Pahang Government.

Clause 12. There was an agreement. I agree the agreement would have bound the assigns.

10

AB 26. There was no separate agreement in respect of the 3 additional licencees who came in under the same terms. I do not agree that AB26 relates to a mode of payment additional to AB 1 first agreement.

I am looking at AB29. I agree that by clause 2 Tan Seng Eng was guaranteeing me in the sum of \$150,000. It is not true that there was arrangement between us to give 12 licensees to Tan Seng Eng. I feel that he had outsmarted me.

20

I still say that I do not know what happened to the other 12 licensees. I came to know later that they had formed Sastive Co. I have no knowledge that agreements with the 3 companies were signed on the same day. As far as I remember many companies signed agreements with the Government that day. I agree that the 30 licensees did see the Government together at one stage. It is not correct to say that I am pretending.

30

Re-examination Re-examination The 30 did meet the forest officer. They agreed to form into separate groups of 10, 8 and 12. For the signing the 3 groups were called. But I was concerned with my 2 groups Hayati and Bertapak. I was not concerned with the other group.

AB 29. Tan Seng Eng offered me this, because I think he felt bad after having taken the other licensees.

40

By Court J.C.Khaw did not get anything from me under AB19. He introduced many persons to me but no one materialised to enter contract with me. When I met defendant at Hilton, J.C.Khaw did not tell me that defendant was the person who would want contract relating to AB 19.

(Witness released).

Adjourned at 3.45 p.m. Till 9.15 a.m.

In the High  
Court

This 15th day of March, 1978

Defendant's  
Evidence

9.20 a.m. C.S. 343/74 (cont.)

Parties as before

No.13

EVIDENCE OF TAN SENG ENG  
& TAN CHONG CHU

No.13

Tan Seng Eng  
@ Tan Chong  
Chu  
Examination

15th March  
1978

D.W.3 Tan Seng Eng @ Tan Chong Chu affirmed,  
states in Hockian.

10           58 years old. Timber business. Live at  
104, 1st, Jalan Gunung, Segamat.

I know the defendant. I have know him  
since childhood in Labis. Early days he ran  
a sundry shop. Later on he carried on business  
of logging and selling timber. We have never  
been in partnership in my business.

I am looking at AB 31-2. I signed this  
agreement as one party. The other party was  
defendant and Chang Lun Yuan.

20           (Counsel reads second preamble). I  
agree by the agreement I stood guarantee for  
payment of \$150,000 to defendant and Chang if  
Au Ah Wah failed to secure the signatures of  
the applicants for forest concession of 18,000  
acres. I did this for these reasons. In  
September 1973 I met defendant in Au Ah Wah's  
office and Chang Lun Yuan were asking Au Ah Wah  
to refund their money. I had already obtained  
12 licensees from the 70 licensees. I found  
30           that if the defendant and Chang did not take  
the remaining 18 licences the Forest Depart-  
ment would not issue licences just for the 12  
licensees. I asked defendant to cooperate with  
me.

Defendant and Chang told me that they has  
lost confidence in Au Ah Wah as he could not  
perform the agreement they had entered into.

In the High Court

Defendant's Evidence

No.13  
Tan Seng Eng  
& Tan Chong  
Chu  
Examination  
15th March  
1978

(continued)

Defendant proposed to me that to get his co-operation I had to guarantee the money to be paid by Au Ah Wah in the event of his failure to fulfil the second contract. So I entered into this agreement with defendant and Chang Lun Yuan I did not attend the meeting between the Licensees and the Forest Department.

I got the 12 licensees this way. The forest area at the time was being worked out by Lam Chit Tong from all the 30 licensees. Later on Au Ah Wah managed to get the 30 licensees to be on his side. The 30 licensees quarrelled among themselves because Au Ah Wah would not pay their money on time. Work on the forest land stopped for about 2 years. 12 Licensees left Au Ah Wah. They formed a company known as Sasitiva Baru. I got the contract from this company to work out the forest land and to purchase the logs. Defendant has no interest in this company.

10

20

As far as I know Lam Chit Tong took action against the 30 licensees, I heard, in the High Court. I do not know the outcome.

I know that En. Mansen and En. Ghani managed Sastiva Baru. They are also licence holders. Sastiva Baru does not sell logs to the defendant. I have the contract for the purchase of all logs from the company.

I know the 2 companies Syarikat Hayati and Bertapak. I have no interest in these 2 companies. I have not purchased any logs from them.

30

Cross-examination

Cross-examination by plaintiffs' counsel.

I met defendant in the office of Au Ah Wah. I used to go to Au Ah Wah's office off and on over this land. I went there in connection with this land. It is not true that Au Ah Wah and I had been together to get the 30 licensees. I went there to discuss with Au Ah Wah how to split the 30 licensees into 3 companies. Before that day I had not met the forest officer with the licensees. I was told by the licensees that licences would be issued in the name of a company. I met defendant and Chang Lum Yuen in Au Ah Wah's office. I heard defendant asking Au Ah Wah for the return of his money. That day defendant told me that Au Ah Wah had promised that he would get 30 licensees for the defendant but Au Ah was unable to do so. The 12 licensees had told

40



me that they had no confidence in Au Ah Wah. One of the reasons was that Au Ah Wah has not paid them. Au Ah Wah told me that he had seen the Forest Officer. But I did not see him myself. He told me that the Forest Officer wanted a company to be formed by the 30 licensees.

In the High Court

Defendant's Evidence

No.13

Tan Seng Eng @ Tan Chong Chu

Cross-examination

15th March 1978

(continued)

10 I had nothing to do with the formation of Sastiva Baru. The company got an advance from me. I was the financier. As far as I know there was no other. The advance was for payment of fees to the Government, and other expenses. I gave them advance not exceeding \$150,000. I did enter into contract for working out the forest and purchase of logs. It is correct that the 12 licensees were the shareholders of the company. Apart from the advance, I did not have to pay other moneys. I felled and purchased the logs from the company according to market price.

20 I don't know why these 12 licensees did not want to join up with the 18 others.

I entered into agreement AB31 so that the other 18 could form a company as the Government would only issue licences for all 30 of them. I agree this agreement was entered into on 12th September, 1973.

30 (Court refers to recital reads --- proposed agreement on 7th September, 1973). I entered into my agreement for one purpose only If Au Ah Wah could get not get the 18 licences for the defendant and Au Ah Wah could not refund the advance he received from defendant then I undertook to pay the defendant.

40 By Court At that time things were not certain at all. XXN cont. It is possible that even at that time Au Ah Wah was trying to get all the 30 licensees. But I knew as a fact that 12 did not want to have anything to do with Au Ah Wah. The proviso means in the event of the licences being issued to 2 or 3 companies then my responsibility under the agreement would be absolved.

(Witness referred to AB24-30). I agree by this clause if there was a split up of licences, then the working areas would be split.

It is not true that defendant and Au Ah Wah had arranged with me to take over 12 licensees. It is not true that defendant financed me that he has interest in Sastiva Baru. I have my own

In the High Court

Defendant's Evidence

No.13  
Tan Seng Eng  
@ Tan Chong  
Chu

Cross-examination

15th March  
1978

(continued)

money. I don't need to be financed by defendant.

I have been to Forest Department with licensees for the purpose of getting sub-licence to work in the area. For other purpose I did not go to Forest Department. The 12 licensees told me that they had formed a company.

(Witness shown (P5))

Court I have already directed that these documents to be photostated. Original to be returned to Forest Department. This apparently has not been done.)

10

Agreement of Sastiva Baru with Government of Pahang. I signed as a witness. I did go to Forest Department before the issue of the licences. Earlier I was under the impression whether I went to Forest Department after I became sub-contractor. This happened a long time. I cannot remember everything.

(Recess 11.00 - 11.20)

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Re-examination Re-examination AB 31 Agreement 12th September, 1978. This agreement was signed in Mr. Ong Ban Chai's office, at Johor Bahru. AB 29 Agreement 7th September, 1973 was signed in Au Ah Wah's office, in Kuantan. While in Kuantan on 7th I agreed with the defendant to underwrite the \$150,000. I did not ask Au Ah Wah to prepare this agreement. On that day I was busy. I told defendant that this agreement could be done in Johor Bahru.

30

I have been to Forest Department off and on for other forest works. I had 3 areas to work on in Pahang.

By Court I did not disturb the licensees. They came to me.

I signed AB 29 with Au Ah Wah, because he was in difficulty. If I did not cooperate with him, he would not have got the 18 licensees. If he did not cooperate with me all of us would not get anything.

40

C. F. D.

To 10th April, 1978 for submission.

Certified true copy.



In the High Court

No.14  
Judgment of  
Syed Othman  
F.J.  
31st December  
1979  
(continued)

defendant says that the 20th March agreement was bad in law as it conferred no right to the defendant. The defendant also admits entering into the 31st March agreement with the plaintiffs but denies the allegation that he had purchased the logging rights from Mr. Au; he says the 31st March agreement was made subject to the 20th March agreement being successfully implemented and a licence to fell timber from 1000 acres being granted by the authorities and those two conditions were not fulfilled. Alternatively, he says, the 31st March agreement too was bad in law. 10

The 3rd plaintiff gave the main evidence and the plaintiffs' case is as follows: J.C. Khaw (PW 2) had a letter of undertaking (AB 19) from Mr. Au whereby Mr. Au undertook to pay J.C.Khaw \$10/- per acre if he found a suitable person to take over the logging rights. He approached the plaintiffs who paid him \$1,000/-. They told him that they would buy the concession and agreed to act by the 7th March. The third plaintiff saw some documents. The concession was granted to 30 Malay licensees who had authorized Mr. Au to sell the concession. The plaintiffs had no fund to pay a deposit of \$1.2 million required by the undertaking, AB 19. They approached PW 5, Chang Lun Yuan (Chang) in Singapore. Chang too had not enough money. He suggested bringing in the defendant. They all met in Singapore. The defendant suggested that the plaintiffs should withdraw from the venture and offered them \$50/- per acre for withdrawal. The defendant asked them to be taken to Mr. Au. The 3rd plaintiff asked J.C.Khaw to arrange a meeting with Mr. Au. (Under cross-examination the 3rd plaintiff said that they paid J.C.Khaw a further sum of \$500/- to introduce them to Mr. Au; they met Mr. Au several times in Kuantan but they did not pay him anything. Mr. Au did not give any rights). There was a meeting in a coffee house in Kuala Lumpur in early March, 1973. The defendant and Chang decided to buy the concession and the three plaintiffs decided to withdraw from the venture. In Kuantan, the defendant entered into the 20th March agreement with Mr. Au on that date. Chang, who was present, paid \$120,000/- deposit. The three plaintiffs and the defendant entered into the 31st March agreement. Later three companies, which according to the 3rd plaintiff belonged to the defendant, purchased the concession. The companies were: (1) Syarikat Bertapak Sdn.Bhd., (2) Syarikat Hayati Sdn.Bhd., and (3) Syarikat Sastiva Bharu 20 30 40 50

10 Sdn. Bhd. On 29th March, 1973 the defendant entered into an agreement (AB 22-24) with Chang (PW5) and one Lim Chung Hai of Singapore before PW6, Mr. Ong Ban Chai (Mr. Ong), an advocate and solicitor, in Johor Bahru. The agreement prepared by Mr. Ong recites that the defendant has entered into 2 separate agreements with Mr. Au and three other Chinese in March, 1973 and that Chang and Lim Chung Hai have delegated power to the defendant to enter into the contracts and acknowledge responsibility for liabilities and benefits under the contracts. The operative parts of the agreement say that in consideration of the defendants signing the above contracts, Chang agrees to pay 45% due under the contracts in respect of 16,000 acres of forest land and to accept 45% of the profits and benefits and Lim Chung Hai is to pay 25% due under the contracts and to accept the same proportion of the profits and benefits, and Chang is to contribute 40% of the total consideration in respect of 2,000 acres and to accept profits and benefits in the same proportion; Lim Chung Hai is to contribute 20% of the consideration and to accept profits and benefits in the same proportion. According to Mr. Ong (PW 6) by the 20th March agreement Mr. Au undertook to obtain the approval of the Pahang Government and the consent of the 30 forest licensees to enter into an agreement within a period of three months, i.e. 20th June, 1973 but the defendant only instructed him to write to Mr. Au on 16.8.1973 asking for refund of the deposit. There was no reply. After 3 weeks Mr. Ong and the defendant went to see Mr. Au. They saw Mr. Au on 7th September, 1973 in his office and met one Tan Seng Eng (DW 3), and Chang (PW 5). The defendant and PW 5 entered into an agreement with Mr. Au. According to Chang (PW 5) this agreement was entered into because he considered the 20th March agreement to be invalid, as the conditions were not fulfilled and the 3 months mentioned in this agreement had expired. But the agreement of 29th March between the defendant, PW 5 and Lim Cheng Hai was not rescinded. By the 7th September, 1973 agreement the 20th March agreement is rescinded. Mr. Au acknowledges having received the \$120,000/- under the 20th March agreement; PW 5 and defendant agree to advance Mr. Au a further \$150,000/- for purpose of paying 15 licensees of the forest area, \$10,000/- each, to pay a further sum of \$825,000/- for every licence of 1,000 acres issued. Mr. Ong (PW 6) witnessed the agreement made on 12th September, 1973 between Tan Seng Eng (DW 3) and the defendant and Chang (PW 5). This agreement

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(continued)

recites that as Mr. Tan Seng Eng had proposed the defendant and Chang to enter into the agreement with Mr. Au on 7th September, 1973 (on 18,000 acres of forest land) Tan Seng Eng undertook to pay them \$150,000/- in the event of Mr. Au failing to secure the necessary signatures of the applicants for the forest concession and/or failing to secure the approval of the authorities for the forest licence.

The evidence concerning the formation of the 3 companies, given by the Deputy Director of Forestry, Pahang, is to this effect. In 1966 the Pahang Government entered into an agreement (P1) with a group of 30 Malays permitting the licensees to work forest land of 24,000 acres for the purpose of felling logging and removing timber. This agreement was revoked by an agreement of 30th November, 1973 (P2), whereby the Government agreed to enter into separate agreements with Syarikat Hayati Sdn.Bhd., Syarikat Bertapak Sdn. Bhd., and Syarikat Sastiva Baru Sdn.Bhd. for the same purpose in the unworked area of 18,000 acres of the original 24,000 acres. The appendices to the agreement show that Syarikat Hayati Sdn.Bhd. consist of 10 Malay shareholders, Syarikat Bertapak Sdn.Bhd. 8 and Syarikat Sastiva Baru Sdn.Bhd. 12 and the shareholders are all the licensees under the 1966 agreement. Syarikat Hayati Sdn.Bhd. gets 6,000 acres, Syarikat Bertapak Sdn.Bhd. 4,800 acres and Syarikat Sastiva Baru Sdn.Bhd. 7,200 acres. Pursuant to P2, the Government entered into 3 separate agreements with the companies. The names of the contractors for these 3 companies are as shown in AB21 (a letter from the Director of Forestry, Pahang to Messrs. Nathan & Yang of Johor Bahru dated 8.2.1975). They are for Syarikat Hayati Sdn.Bhd. - PW5; for Syarikat Bertapak Sdn.Bhd. - PW5; Lim Cheng and the defendant; for Syarikat Sastiva Baru Sdn.Bhd. - Tan Eng Seng (DW3) and another. 10 tons of timber could be obtained per acre from the area. The price of timber as at the date of the trial was about \$110/- per ton and the gross income over the whole area would be \$18,000,000. According to Chang (PW5), he, his wife and children were shareholders of Syarikat Bertapak Sdn. Bhd but none of them held shares in Syarikat Sastiva Bahru Sdn.Bhd. According to PW7, the auditor of Syarikat Hayati Sdn.Bhd. and Syarikat Bertapak Sdn.Bhd., the defendant became a shareholder of Syarikat Hayati Sdn.Bhd. on 28th May, 1974 and ceased to be a member on 20th July, 1974; he became a shareholder of Syarikat Bertapak Sdn.

Bhd. in May, 1974 and on 20th July, 1974 sold his shares to his son; the books of the 2 companies did not show that they had bought any forest concession but they did show payments for licences, permits and premiums. According to Chang (PW 5) he was the contractor for Syarkiat Hayati Sdn.Bhd. and he, the defendant and Lim Chung Hai were the contractors for Syarikat Bertapak Sdn.Bhd.

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(continued)

10           The plaintiffs' case further shows that  
              sometime after the agreements, 2nd and 3rd  
              plaintiffs went to see the defendant in Labis  
              and asked for their money. The defendant  
              referred them to Chang. When they saw Chang,  
              Chang referred them back to the defendant,  
              saying that their agreement was with the  
              defendant. The defendant then suggested that  
              they meet in Mr. Ong's (PW6's) office. Accord-  
20           ing to the 3rd plaintiff the defendant told him  
              that if the plaintiffs would cancel the 31st  
              March agreement he would pay \$40,000/-. PW6  
              makes no mention of this condition but says  
              that they met about July, 1973. The defendant  
              offered \$40,000/- as ex-gratia or compensation;  
              the plaintiffs refused to accept the offer but  
              asked for \$450,000/- which the defendant turned  
              down. They met again 2 months later but nothing  
              came out of this.

30           The defendant's case is as follows :  
              He admits having signed the 20th March agreement  
              after the plaintiff had introduced him to Mr. Au.  
              Before signing the agreement they all agreed  
              that the commission would be paid to plaintiffs  
              if Mr. Au could get the concession within 3  
              months. Mr. Au could not get the concession  
              within 3 months and when the 3 months expired  
              the defendant told the third plaintiff to go and  
              see Mr. Au to expedite the matter. The 3rd  
40           plaintiff did not reply. The defendant came to  
              know that Mr. Au could not get the licences.  
              He then instructed his solicitor Mr. Ong (PW6)  
              to write a letter (P6) to Mr. Au requesting  
              him to refund the deposit. On 6th September,  
              1973 he went to see Mr. Au in Kuantan to get  
              back the deposit. Mr. Au told him to come in  
              the afternoon. In the afternoon he met Tan  
              Seng Eng (DW3) in Mr. Au's office. Mr. Au and  
              Tan Seng Eng told him that Mr. Au could get  
50           only 15 licences for the defendant. It trans-  
              pired that Tan Seng Eng himself got the other  
              licences. As a result, the defendant and Chang  
              (PW5), who was with him at the time, entered

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(continued)

into the agreement of 7th September, 1973 with Mr. Au. The deposit of \$150,000/- mentioned in this agreement was made up of the \$120,000/- that had already been paid under the 20th March agreement and a further \$30,000/-. On 12th September, 1973 Tan Seng Eng (DW3) entered into an agreement with the defendant and Chang (PW5). By this agreement Tan Seng Eng undertook to pay them \$150,000/- if Mr. Au failed to secure the necessary signatures for the application of a forest concession and/or fail to secure the approval of the relevant authorities for the forest licences. The agreement was in effect a guarantee by Tan Seng Eng to refund the deposit paid to Mr. Au if Mr. Au failed to get for the defendant and Chang (PW5) the 15 licensees. Eventually they got 18 licensees, as 3 licensees, who had intended to go to Tan Seng Eng, joined their group. The defendant in 1974 held shares in Syarikat Hayati Sdn.Bhd. (10 licensees) and Syarikat Bertapak Sdn.Bhd (8 licensees). He had no share in Syarikat Sastiva Bharu Sdn.Bhd. (12 licensees), as Tan Seng Eng got the contract for this company. The defendant and Chang at first wanted to pay the plaintiffs \$40,000/- as compensation. When court action was taken they refused to make any payment. In getting the licensees the defendant and Chang had to pay off each licensee \$65,000/-. In terms of acres, each licensee got 600 acres. The total was 10,800 acres. Syarikat Hayati Sdn.Bhd. and Syarikat Bertapak Sdn.Bhd. worked on this area. There were other expenses incurred for the concession. Mr. Au was paid \$80/- per acre under clause 6 of the 7th September, 1973 agreement. Syarikat Hayati Sdn.Bhd. and Syarikat Bertapak Sdn.Bhd. had to pay their debts \$420,000/- to Dato Lam Chit Tong who had been previously working in the area.

For the defence it is submitted that the plaintiffs' claim depends on the 20th March agreement and particularly the 31st March agreement between the defendant and the plaintiffs, and the 31st March agreement is bad as there is a failure in consideration as it speaks of assignment of contract with Mr. Au and of the consideration as the plaintiffs' relinquishing their rights to 18,000 acres of forest land; the plaintiffs had no right to assign. It is also submitted that Mr. Au too had no rights. He was merely trying to get the licensees to transfer their rights to whoever would purchase them; the plaintiffs therefore misrepresented the defendant when they claimed that they had



rights. It is further argued even if the contract is enforceable, the plaintiffs entitlement to commission \$50/- per acre would depend upon the performance of the 2 agreements, and under the 31st March agreement the plaintiffs' entitlement is on the performance of 20th March agreement between the defendant and Mr. Au as stipulated (see clause 2(e)) and the 20th March agreement was not performed as stipulated.

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The arguments for the plaintiffs are briefly as follows : The plaintiffs had agreed to purchase the logging rights under the licences to extract timber issued to the 30 licensees. They paid \$1,000/- to J.C.Khaw, the agent of Mr. Au who had the right to purchase the logging rights under the licences. The plaintiffs were unable to purchase the rights themselves because of the large outlay of money. They contacted Chang who in turn contacted the defendant. It is agreed that the plaintiffs would back out in favour of the defendant and Chang in consideration of payment of \$50/- per acre. The result was the 20th March agreement and then the 31st March agreement. There was a sale of the logging rights under the licenses when the 30 licensees formed the 3 companies and the defendant or his nominees obtained control of these companies to whom the licenses were issued by what is described as the manoeuvre of Mr. Au who witnessed the companies' agreement with the Government. It is also contained that Tan Seng Eng (DW3) was in league with the defendant as he was the defendant's childhood friend. The time limit imposed by the 20th March agreement must be taken to have been waived by the parties and it was never intended that time should be the essence of the contract; the defendant never insisted that there should be performance within the time limit. The 20th March agreement still subsists despite the agreement of 7th September, 1973 which cannot be taken as rescinding the 20th March agreement, as the preamble speaks only of "desirous of rescinding the 20th March agreement." AB41 is not a proper rescission of the 20th March agreement, as it is neither stamped nor witnessed and executed on 7.9.73. It is merely an exercise to deprive the plaintiffs of their claim under the 20th March agreement. The agreement of 7th September, 1973 is not a proper independent agreement. The \$120,000/- deposit paid under the 20th March agreement was never paid but supplemented into the 7th September agreement. The offer of \$40,000/- by the defendant as settlement fortifies the claim that the plaintiffs' claim was valid and

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In the High  
Court

No.14  
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subsisting and the only quarrel was over the amount. Payment to the 30 licensees who are not parties to the 20th March agreement and 7th September agreement in only an abacus computation intended to deceive third parties. Mr. Au admitted that he had an agreement with the 30 licensees. The alleged increase in consideration from \$40,000/- to \$65,000/- was in fact an extra \$25,000/- per licensee payable to Mr. Au, who is said to have connived and contrived the whole scheme. Tan Seng Eng (DW3) is described as a camouflage used by the defendant. His payment of \$150,000/- was not enough to pay off Dato Lam. DW3 enjoyed his benefits together with the defendant and Chang. The fact that he guaranteed them in the sum of \$150,000/- shows that he was together with them.

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In dealing with the whole case, I need only concern myself with the main points, and leave the side points. I also do not propose to set down the 20th March and 31st March agreements but will deal with the material parts as I go along.

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The first main point is that the plaintiffs claim that they had agreed to purchase the logging rights by reason of the fact that they had paid \$1,500/- to J.C.Khaw, who they say is the agent of Mr. Au, who in turn is said to have the logging rights from the 30 licensees. To this it must be said here that it was common ground that all concerned knew that the forest licences were issued to the 30 licensees and not to Mr. Au. At no time can it be said that Mr. Au had any logging rights to sell, or even had agreed with the plaintiffs that they could purchase the rights. The evidence shows that Mr. Au was merely hawking the rights of other people, who the indications are could be his principals. Mr. Au's letter of undertaking AB19 which he gave to J.C.Khaw is not an option giving J.C.Khaw the right of purchase. It merely authorised J.C.Khaw to find a suitable person who would enter into an agreement and pay \$1,200,000 deposit and \$80,000/- on the issue of every licence for every 1,000 acres. The undertaking to pay J.C.Khaw and the other person \$10/- per acre was on condition that he produced that suitable person to Mr. Au. J.C.Khaw was clearly a person of no substance and giving him an option would be meaningless. When the plaintiffs paid J.C.Khaw \$1,000/- and then a further \$500/- to introduce them to Mr. Au, it does not mean that they become the suitable person mentioned in

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10 AB19. They might have seen Mr. Au and spoken to him of their interest in the right over the forest area. But as they did not enter into an agreement in the terms of the undertaking and did not make any payment, Mr. Au rightly must have dismissed them as persons no better than J.C.Khaw himself. By paying J.C.Khaw \$1,500/- their relationship was with J.C.Khaw, and at the most it can only be said that they step into the shoes of J.C.Khaw, i.e. if the letter of undertaking can be construed as transmissible. In this case their claim, if any, would be against J.C.Khaw or Mr.Au or both.

20 As a lawyer, Mr. Au must have known that he could not give J.C.Khaw an option to purchase the rights, as the rights did not belong to him but to the 30 licensees. Nowhere in AB19 Mr. Au claims the rights were his. He must have known that he could not transfer the rights or any part of them under the licences without prior official blessing, having regard to the condition in the agreement between the licensees and the Pahang Government. Para. 16 of P1 reads:

"The Licensee shall not assign, sublet or transfer the whole or any part of its rights under the agreement to any person whatsoever without first obtaining the written consent of the Menteri Besar".

30 It is established law that any transfer of licence bearing such a condition without prior approval by the proper authority is illegal. See Sundang Timber Co. Sdn.Bhd. v. Kinabatangan Development Co. Sdn.Bhd. (1) and Lo Su Tsoon Timber Depot v. Southern Estate Sdn.Bhd. (2)

40 No evidence is adduced whatever rights which had passed were in fact with the prior approval of the Menteri Besar. Having regard to circumstances prevailing at the time it is a matter of extreme doubt that the Menteri Besar would have approved any transfer or assignment of the agreement between the State Government and the licensees. The defendant expressly pleaded in his defence that the transfer of the logging rights would be conditional on the consent of the licensees and approval of the authorities. The plaintiffs did not dispute this and adduced no evidence that such consent or approval had in fact been obtained. From the evidence of  
50 AB21 the letter of Director of Forest, the defendant, Chang (PW5) and the others became only contractors who worked the area with

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(continued)

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(continued)

perhaps the rights to purchase the logs from the licensees. But there was no transfer of the licence in terms of the plaintiffs' averment or not even assignment in terms of the 31st March agreement.

The plaintiffs claim that they introduced Mr. Au to the defendant so that the defendant secured the logging rights in place of the plaintiffs. It is clearly for the plaintiffs to prove that Mr. Au had in fact those rights and Mr. Au had transferred those rights to them. The evidence which has been adduced as showing that Mr. Au had those rights is the 20th March agreement. But the agreement with the State Government (P1) clearly shows that the rights were those of the 30 licensees. No evidence is adduced the logging rights under the licence had ever been transferred to Mr. Au. The evidence shows that even P1, the 1966 agreement with the State Government, was being rescinded and a new licence was pending to be issued to a company to be formed by the 30 licensees. Mr. Au might have been instrumental to the formation of the companies and might have advised the licensees as to transactions to be entered into, but at no time he in fact acquired those rights. At the time of the 20th March and 31st March agreement, his position was no better than J.C. Khaw himself and the position of even the 30 licensees were in abeyance. They were only issued with the new licences in November, 1973 (See Ps-4). The 20th March and 31st March agreements seem to relate to rights which were in abeyance.

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In any case, the crucial part of 20th March agreement is clause 5 which stipulates that all the 30 licensees shall have one share each in the Company (to be formed) and Mr. Au shall obtain the transfer of all shares to the name of the defendant or his nominees. This stipulation did not materialise at all. The evidence shows that instead of one company three companies were formed, that the defendant and his family own some shares in Syarikat Hayati Sdn.Bhd. and Syarikat Bertapak Sdn.Bhd., and that he had no share in Syarikat Sastiva Bharu Sdn.Bhd. There were others owing shares. Chang (PW5) and Tan Seng Eng, the evidence shows, controlled Syarikat Sastiva Bharu Sdn. Bhd. For all the situation the plaintiffs blamed Mr. Au. If in fact Mr. Au manipulated all this, as they claim, then they have only themselves to blame. Since they claim that they had the rights from Mr. Au, they should

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10 have been able to put themselves in the position of Mr. Au either in relation to the 30 licensees or the defendant. Further, they adduce no evidence to show that the Menteri Besar would have transferred the logging rights to them in place of Mr. Au. In any case, since they claim that they had the rights in place of Mr. Au, it was their duty to direct Mr. Au as to how to transfer those rights to the defendant. On their pleading they should have called Mr. Au as their witness. On their own evidence, Mr. Au (assuming that he could sell the rights) could not have agreed to transfer any rights to them since they did not enter into an agreement, nor make any payment in the terms of the letter of undertaking (AB19).

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20 The plaintiffs' side submit that the 7th September agreement which rescinded the 20th March agreement was a device to deprive them of their commission. In the first place, if indeed they had rights which could only be derived from Mr. Au, they could have prevailed on Mr. Au and the defendant to be made a party in the 20th March agreement. The very fact that they were not in the agreement further supports the evidence of Mr. Au that he had no dealing with them at all. They now say the 7th September agreement did not actually rescind the 20th March agreement. Rescission or novation of a contract is a matter for the parties. Here the parties to the contract agreed to set aside the old contract and to enter into a new contract and the evidence shows that there was real need for a new contract in view of different situation which had arisen, e.g. in the old contract there were 30 licensees, whilst in the new contract there were only 15 and further payments to be made. See para.4 of the new contract which mentions further sum of \$825,000/- to be paid. I do not think in the circumstances, it would be proper for me to impugn the intention of the parties when they entered into the 7th September agreement, rescinding the 20th March agreement, particularly when the plaintiffs have not even established that they had any right at all under the 20th March agreement.

50 Under 31st March agreement the plaintiffs were to receive \$540,000/- within 2 weeks of the performance of the contract with Mr. Au, provided the licence to fell timber for the first 1,000 acres was issued by the relevant authorities and the second payment of \$360,000/-

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within 6 months of the first payment. Again, no evidence is adduced to show that the defendant was in fact issued with the licence by the relevant authorities pursuant to this agreement. The evidence shows that the licences were issued to the 3 companies formed by the 30 licensees. Again, by the very requirement in the agreement, it was clearly the plaintiffs' duty to see to it that the licence was issued to the defendant so that he could get the full benefits under the licence. 10

On the evidence I am satisfied that the defendant did receive some benefits from an undisclosed indirect interest in the forest concession, but not in the form of any assignment mentioned in the 31st March agreement, and the plaintiffs played no part at all in this. I am also satisfied that he had to share them with Chang (PW5) and Lim Chung Hai. I do not accept that these people are nominees of the defendant, by reason of his agreement with them on 29th March, 1973. On the plaintiffs' own evidence, the first person they approached after seeing J.C.Khaw was Chang (PW5). According to Chang, the area was too large even for him and he contacted the defendant. The plaintiffs must have known that other persons would have made a bid to come in, since Mr. Au had no full control over the licensees. I also believe the evidence of Mr. Au and Tan Seng Eng that 12 licensees who formed Syarikat Sastiva Bharu Sdn.Bhd. gave Tan Seng Eng a contract. The evidence shows that Mr. Au had no hand in the formation of this company. The fact that Tan Seng Eng got his share supports the finding that Mr. Au, much less the plaintiffs, had no control over the licensees. The fact that Tan Seng Eng is a childhood friend of the defendant does not mean that he could be a nominee of the defendant. Indeed I would find that on this very evidence the defendant was obliged to make way. The evidence may show that Tan Seng Eng might have paid a smaller amount, but he must have made other payments or granted larger benefits, which he is not obliged to disclose to any one. 20  
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Even assuming other condition in 31st March agreement had been fulfilled, I have to consider the extra expenditure which the defendant had to incur and not contemplated by the 2 agreements to get the interest which he appears to have enjoyed. I accept the evidence that the defendant had to pay \$65,000/- instead of \$40,000/- per licensee for whatever interest he might have received from them. For the 18 licensees who 50

went to him, the total additional payment he made would be \$25,000/- x 18 = \$450,000/-. The defence suggests that this was in fact payments to Mr. Au. Even so, the defendant had to pay the extra payments. If, as the plaintiffs claim, they had the rights from Mr. Au, then they should be able to make a claim from Mr. Au as Mr. Au was clearly cashing in on their interest. I also accept the evidence that the defendant had to pay Dato Lam \$420,000/- to settle Dato Lam's claim against the licensees in order to secure the interest. The total of extra payments the defendant made is \$870,000/-. He did not even get the full benefits envisaged in the 2 agreements and whatever interest he received was only from 18 licensees (10,800 acres) and not from 30 licensees (18,000 acres) mentioned in the agreement. Even assuming the interest which he received can be said to be full benefits envisaged in the 2 agreements, a commission of \$50/- per acre for 10,000 acres would be \$540,000/- which is insufficient to make good the extra payments the defendant had incurred.

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(continued)

For the foregoing reasons, I cannot see the plaintiffs can be entitled in law or equity to any commission. Their claim is dismissed with costs.

Sgd. (TAN SRI DATO SYED OTHMAN BIN ALI)  
Federal Judge.

Johor Bahru,  
31st December, 1979

Counsel -

Encik Upali Masacorale for Plaintiffs.  
(M/s Jackson & Masacorale)

Encik Lim Seng Bock for Defendant  
(M/s Yeow & Chin)

Certified true copy.

Sgd. Setia-usaha Kapada Hakim  
Mahkamah Persekutuan  
Malayasia  
Kuala Lumpur.









1979 on the following grounds :-

In the Federal Court

No.17 Memorandum of Appeal

11th June 1980

(continued)

- 1. The learned Trial Judge erred in law and on the facts when he held that Au Ah Wah had no rights to contract the Agreement dated 20th March, 1973 when Au Ah Wah admitted that he had contracted with the 30 Malay licensees giving him the said right.
- 10 2. The Learned Trial Judge erred in law and on the facts when he concluded that the consent from the Menteri Besar and from the 30 Malay licencees was not obtained for the transfer of the licence to the Defendant and or his nominees.
- 3. The Learned Trial Judge failed to appreciate the legal position of the Plaintiffs vis-a-vis the Defendant both in law and on the facts when he held that they had not established any right at all under the 20th March, 1973 Agreement.
- 20 4. The Learned Trial Judge failed to recognize that the conditions stipulated in the Agreement dated 20th March, 1973 were in fact satisfied or fulfilled and the Defendant admitted having enjoyed most of the concession.
- 5. The Learned Trial Judge erred in law and on the facts when he accepted the Defendant's unsubstantiated evidence of the extra expenses incurred by him against the weight of evidence at the trial.

Dated this 11th day of June, 1980.

.....  
30 Solicitors for the Appellants

To: The Chief Registrar,  
Federal Court,  
Malaysia.

And to:  
The Senior Assistant Registrar,  
The High Court in Malaya at Johore Bahru.

And to:  
The abovenamed Respondent  
40 Pang Choon Kong,  
and or his solicitors,  
Messrs. Yeow & Chin,  
Advocates & Solicitors,  
Johore Bahru.



area of some 18,000 acres of timber-land in Pahang. The profits to be made were enormous - they were said to be \$18,000,000. So when it was noised about that one Au Ah Wah had the rights to this area, his acquaintance was eagerly sought. Those who did not know him personally sought therefore introductions from those who knew and were prepared to pay considerable sums for the introduction.

In the Federal  
Court

No.18  
Judgment

8th February  
1981

(continued)

10           The Appellants and one Lin Wyen Pang who  
was one of the plaintiffs in the action but  
chose not to appeal from the dismissal of their  
claims introduced the respondent to Au Ah Wah.  
Arising from that introduction, an agreement  
was drawn up between the respondent and Au Ah Wah  
on March 20, 1973 (the March 20 Agreement) for  
the transfer of all his rights in the timber-  
land to the respondent. We shall refer more  
fully to the terms of this Agreement later. The  
20           obligation of the respondent to the introducers  
was incorporated in another Agreement between  
them on March 31, 1973 (the March 31 Agreement).  
On this agreement, the appellants and Lin Wyen  
Pang sued for the \$900,000 promised to them  
therein. The High Court dismissed their claim  
and they now appeal to this Court.

30           The law to be applied is therefore the law  
of estate agents. Where the agency contract  
provides that the agent earns his remuneration  
upon bringing about a certain transaction, he  
will be entitled to such remuneration if he  
is the effective, not necessarily the immediate  
cause of the transaction being brought about.  
Whether there is a sufficient connection between  
his act and the ultimate transaction must be  
ascertained from the facts of the case. "The  
effectiveness of the agent's work is a matter  
of inference from the evidence" per McGregor J.  
in Sushames v. Cumming (1) Where the agent can  
40           show that some act of his was the causa causans  
of the transaction (Tribe v. Taylor) (2) or was  
an efficient cause of the sale (Miller v. Radford)  
(3) he is entitled to his agreed remuneration.  
Both of these cases were approved in the Privy  
Council in Burchell v. Gowrie And Blockhouse  
Collieries Limited (4) which itself is a case

(1) (1962) NZLR 920 at p.925

(2) (1876) 1 C.P.D. 505, 510

(3) (1903) 19 T.L.R. 575

(4) (1910) A.C. 614, P.C.

In the Federal  
Court

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Judgment

8th February  
1981

(continued)

where the broker was held entitled to recover because he had brought the company into relation with the actual purchaser, although the company had sold behind his back. See also Symons v. Callil (5) (Full Court of Victoria). So where the property was eventually bought not by the lady introduced by the agent but by her husband as part of a property settlement then being negotiated and on the intimation by the wife that she desired that property, it was held that the husband's action in obtaining the property for his wife had the same effect as a direct approach by the lady to the owners would have had: Hansen Real Estate v. Jones & Jones (Supreme Court, Wellington, 16 April 1980, White J. - reported New Zealand Law Journal (1980) page 284). We need to refer to only two more cases. In Green v. Bartlett (6) a potential buyer had asked the auctioneer, after the auction sale had not reached the reserved price, for the name of the owner and with the knowledge had purchased the property directly from him. The auctioneer was held entitled to his commission. In Tong Lee Hua v. Yong Kah Chin, (7) this Court considered the case as one of strict construction of the contract between the parties.

It is clear that the claim of the appellants depends on the proper construction to be given to this March 31 Agreement. It recited that they were responsible for the March 20 Agreement and then said that they were relinquishing their rights to the timber-land upon certain terms. By all accounts it was a rather curiously drawn up document. But the consideration was stated in the following terms :

"1. In consideration of the Second Third and Fourth Parties relinquishing the rights to the 18,000 acres of forest land the subject matter of the said contract between the First Party and Au Ah Wah dated 20th day of March, 1973 the First Party hereby covenants with the Second, Third and Fourth Parties as follows :

(a) to pay the sum of Dollars Fifty (\$50.00) per acre on the said forest land of 18,000 acres

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(5) (1923) VLR.49

(6) (1863) 14 C.B. (N.S.) 681

(7) (1979) 1 MLJ 233 F.C.

that is: Dollars Nine Hundred  
Thousand \$900,000.00) to the  
Second, Third and Fourth Parties  
in equal shares upon the  
performance of the said contract  
between Au Ah Wah and Pang Choon  
Kong that is to say upon the  
payment of the entire considera-  
tion of \$1.2 million to Au Ah  
Wah subject to the following  
terms;

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Judgment

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1981

(continued)

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(b) to pay the Second, Third and  
Fourth Parties the sum of  
Dollars Five hundred and Forty  
thousand (\$540,000/-) as aforesaid  
within two (2) weeks on the  
performance of the said contract  
with Au Ah Wah; provided that  
the licence to fell timber for  
the first thousand acres be  
issued by the relevant authori-  
ties;

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(c) to pay the Second, Third and  
Fourth Parties the sum of  
Dollars Three hundred and Sixty  
thousand (\$360,000/-) within  
six (6) months after the first  
payment of the Dollars Five  
hundred and forty thousand  
(\$540,000.00) as aforesaid and  
provided always that the licence  
to fell timber on the first  
thousand acres shall be granted  
pursuant to the said contract  
between the First Party and Au  
Ah Wah and the First Party shall  
issue a post-dated cheque within  
six (6) months upon the first  
payment of the \$540,000.00 to  
Second, Third and Fourth Parties,  
in equal shares."

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As we read the Agreement, the payment was for  
\$900,000 only which though a large sum is but  
5% of the profits to be derived from the venture.  
It was to be paid in two stages and dependant  
on the transfer of Au Ah Wah's rights and the  
issue of a licence, the licence being absolutely  
necessary to give validity to the transfer as  
the original licence is personal to the holder  
and it is forbidden by law and by the licence  
itself to transfer assign or otherwise part  
with it to third parties. We will observe

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Court

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(continued)

that the Agreement is silent as to any other events absolving the respondent from his obligation to pay the agreed sum for the introduction to Au Ah Wah.

Nevertheless the respondent in his defence now said that Au Ah Wah had no rights to the timber-land, they belonged to 30 licensees; it was a term of the March 20 Agreement that it was conditional upon the consent of the 30 licensees and the approval of the Government and these Au Ah Wah failed to obtain. He said there was a failure of consideration. Further and in the alternative the March 31 Agreement was bad in law.

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It is now necessary to turn to the events leading up to the two Agreements. On October 1, 1966 an agreement was entered into between the Government of Pahang and thirty persons (the licensees) whereby the latter were given a licence to extract forest produce over an area of 24,000 acres subject to the terms and conditions therein set out. Amongst them was one forbidding the transfer by any means of the rights in the licence: clause 16. At the relevant time, 6,000 acres had been exploited leaving an area of 18,000 with any commercial value. Au Ah Wah claimed to have obtained all the rights to the remaining area. He did not say by what means he did so nor did he produce any document signed by the licensees. In view of clause 16 the nature of those rights might well be questioned. Nevertheless he claimed to have acquired the rights over this area of land and he agreed in the March 20 Agreement to transfer all these rights to the respondent, to whom he was introduced by the appellants. What those rights were did not appear to have been defined anywhere in the Agreement, though the parties thereto did not appear to have been in any doubt about them. But the Agreement was clearly for the transfer of the licensees' interests rights and title to the land and it was represented that Au Ah Wah had the means of effecting this transfer, if not of enforcing it. Clause 6 therefore provides that the respondent should make available to Au Ah Wah a sum of \$1,200,000 for "paying off" the licensees whose names were set out in an enclosure by way of a schedule annexed to the Agreement. It was also agreed that the rights of these licensees were to be transferred to a company to be formed for the respondent by Au Ah Wah who was also then an advocate and solicitor. But for such a

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transfer to be lawful and effective, it must be with the approval of the Government. Au Ah Wah consequently had to undertake to obtain the approval of as well as the transfer of the rights of the 30 licences. The time agreed to was 3 months from the date of the contract. The fruits to be harvested by Au Ah Wah on the successful outcome of the venture were fairly substantial. They were fully set out in the Agreement but are of no concern in this appeal.

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(continued)

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In the event no Company was formed to which all the 30 licensees transferred these rights. This was because of dissensions amongst them. In the words of Au Ah Wah, 12 ran out on him. And on September 7, 1973, Au Ah Wah and the respondent executed a short agreement rescinding the March 20 Agreement. If the matter had stopped here, there clearly could be no claim by the appellants against the respondent. But the matter did not stop at this point.

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On November 10, 1973, the Government entered into new agreement with the 30 licensees for the termination, so-called, of the first agreement of August 1, 1966 to enable the Government to enter into separate agreements with three companies, Syarikat Hayati Sdn.Bhd. Syarikat Bertapak Sdn. Bhd. and Syarikat Sastiva Bharu Sdn. Bhd. (Hayati, Bertapak and Sastiva respectively) for the purposes of felling and logging the remaining 18,000 acres. To enable this to be done, this area was sub-divided into 3 as clearly shown on a plan annexed to the agreement. Hayati was to get 6,000 acres, Bertapak 4,800 and Sastiva 7,200 acres. There can be no doubt of the purpose of this agreement from the part played by Au Ah Wah in effecting it. He was the witness for all the thirty licensees. The agreement also provided for the allocation of these licensees to the three Companies. Hayati was allotted 10, Bertapak 8 and Sastiva the remaining 12, who deductively must be the 12 who ran out on Au Ah Wah.

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Following this agreement, the Government on May 27, 1974 entered into separate agreements with the three Companies for the extraction of forest produce from these areas. Once again Au Ah Wah signed as attesting witness to the execution of the agreements by the directors of the three companies.

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A search in the Registry of Companies revealed the following: Of those original licensees,

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(continued)

only 2 of the 10 allotted to Hayati remained as shareholders. Bertapak also had 2 of the 8 allotted to it. One of the other 6 had died however and it is not known what had happened to his allocation. The full complement of twelve remained with Sastiva, the two who had died being substituted by their personal representatives.

It is not however suggested that there is any significance in this as the rights of the licensees had passed to the companies and the question whether the respondent had acquired any rights over the timber area must be determined by an examination of the composition of the three companies. It will be sufficient to observe shortly that in Bertapak and Hayati, the shareholders and the directors include several persons with the same surname as the respondent. Quite a few of them reside at his address. The same is perhaps not true with Sastiva but the curious feature is that the directors reside at Pahang, but the registered office is in Kuala Lumpur and it had a Chinese secretary.

10

20

The only conclusion to be reached on this documentary evidence must be that the respondent had obtained the rights certain to the 10,800 acres given to Hayati and Bertapak. As for the 7,200 acres allotted to Sastiva, the respondent admitted that he knew that one Tan Seng Eng had obtained the licences issued to Sastiva and the documentary evidence in the three agreements made, two on September 7, and the third on September 12, 1973, is to the effect that whatever benefits were obtained in the matter by Au Ah Wah and Tan Seng Eng, they were all passed over to the respondent and another, through the instrumentality of Au Ah Wah.

30

On all this evidence, we can only form one conclusion that Au Ah Wah performed his contract with the respondent and as provided for in the March 31 Agreement (which is the relevant one for construction in the determination of the rights and obligations between the parties) the rights of the appellant had accrued "on the performance of the said contract with Au Ah Wah." The other requirement in the contract was the issue of a first licence to fell 1,000 acres. The evidence of Harun bin Ismail, the Deputy Director of Forestry (P.W.3) was that at the date of hearing, 10,000 of the 18,000 acres had been worked. The obligation of the respondent

40

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10 AND UPON READING the Record of Appeal filed herein AND UPON HEARING Counsel for the Appellants and the Counsel for the Respondent IT WAS ORDERED that this Appeal do stand adjourned for Judgment AND the same coming on for Judgment this day in the presence of Encik Upali Masacorale of Counsel for the Appellants and Encik Nijar Singh appearing on behalf of Messrs. Yeow & Chin of Counsel for the Respondent IT IS ORDERED that this appeal be and is hereby allowed AND IT IS ALSO ORDERED that the Judgment be entered for the Appellants AND IT IS LASTLY ORDERED that the Respondent do pay to the Appellants the costs of this Appeal and of the Court below.

In the Federal Court  
No.19  
 Order  
 8th February 1981  
 (continued)

Given under my hand and the Seal of the Court, this 8th day of February, 1981.

SENIOR ASSISTANT REGISTRAR  
 FEDERAL COURT, MALAYSIA

20 This Order is taken out by Messrs. Jackson & Masacorale, Solicitors for the Appellants whose address for service is Room 203, 2nd Floor, AIA Building, Jalan Bukit Timbalan, Johore Bahru, Johore.

No. 20

ORDER GRANTING FINAL LEAVE  
 TO APPEAL TO HIS MAJESTY  
 THE YANG DI PERTUAN AGONG

No.20  
 Order granting final leave to appeal to His Majesty the Yang di Pertuan Agong

30 IN THE FEDERAL COURT OF MALAYSIA HOLDEN AT  
JOHORE BAHRU  
 (APPELLATE JURISDICTION)  
FEDERAL COURT CIVIL APPEAL NO. 13 OF 1980

7th September 1981

Between

1. Chew Teng Cheong Appellants  
 2. Loh Kian Tee

And

Pang Choon Kong Respondent

In the Federal  
Court

(In the Matter of Civil Suit No.343 of  
1974 in the High Court in Malaysia at  
Johore Bahru

No.20  
Order granting  
final leave  
to appeal to  
His Majesty  
the Yang di  
Pertuan Agong

7th Septmber  
1981

(continued)

Between

1. Lin Wyen Pang  
2. Chew Teng Cheong  
3. Loh Kian Tee                      Plaintiffs

And

Pang Choon Kong                      Defendant)

CORAM: WAN SULEIMAN, JUDGE, FEDERAL COURT,                      10  
MALAYSIA  
SYED OTHMAN, JUDGE, FEDERAL COURT,  
MALAYSIA  
ABDUL HAMID, JUDGE, FEDERAL COURT,  
MALAYSIA

IN OPEN COURT

THIS 7TH DAY OF SEPTEMBER, 1981

O R D E R

UPON MOTION made unto Court this day by  
Mr. Lim Kean Chye of Counsel for the abovenamed                      20  
Respondent in the presence of Mr. Upali  
Masacorale of Counsel for the Appellants  
AND UPON READING the Notice of Motion dated the  
28th day of August 1981 and the Affidavit of  
Mr. Lim Seng Bock affirmed on the 6th day of  
June 1981 together with the exhibit referred  
to therein AND UPON HEARING Counsels as aforesaid  
IT IS HEREBY ORDERED that final leave be granted  
to the Respondent to appeal to His Majesty the                      30  
Yang Di-Pertuan Agong against the whole of the  
decision of this Honourable Court given on the  
8th day of February 1981.

Given under my hand and the Seal of the  
Court this 7th day of September 1981.

Sgd. (Illegible)

Senior Assistant Registrar  
Federal Court  
Malaysia, Kuala Lumpur

This Order is taken out by Messrs. Yeow & Chin  
of No.8-B, 2nd Floor, Hong Leong Building, Jalan                      40  
Station, Johore Bahru, Solicitors for the  
abovenamed Respondent.

EXHIBITS

P1

AGREEMENT BETWEEN GOVERNMENT OF STATE OF PAHANG AND Y.B.INCHE SELLEHUDIN AND 29 OTHERS

AGREEMENT FOR THE EXTRACTION OF FOREST PRODUCE FROM STATE LAND FOREST

EXHIBITS

P1

Agreement between Government of State of Pahang and Y.B.Inche Sellehudin and 29 others

1st October 1966

10 AN AGREEMENT made the 1st day of Oct. 1966 between the Government of the State of Pahang (hereinafter called the State Government) of the one part and the persons whose names appear on the list annexed hereto and marked as "Appendix "A" jointly (hereinafter called the Licensee) of the other part:-

WHEREBY IT IS AGREED AS FOLLOWS :-

20 Agreement 1.(1) The State Government will permit to permit the Licensee to work an area of State Licensee Land Forest in the District of Temerloh to work (Bera) (hereinafter called the Agreement Area) as shown in the plan annexed of Forest hereto and marked "A" for the purpose of felling and logging timber therein and removing timber therefrom

(2) For the purposes of this Agreement the area of the Agreement Area shall be taken as 24,000 acres

30 Guaran- 2. (1) The area of forest within the teed Agreement Area which shall be opened annual annually by the State Government for acreage exploitation by the Licensee will be of forest not less than 1,000 acres of productive forest and subject to satisfactory compliance by the Licensee with the terms of this Agreement a succession of such areas will be opened on application to the State Forest Officer by the Licensee

40 (2) For the purposes of this Agreement the term "productive forest" shall be interpreted as meaning forest which yields approximately 500 cubic feet of round timber as is required to be felled in accordance with the

EXHIBITS

P1  
Agreement  
between  
Government of  
State of Pahang  
and Y.B.Inche  
Sellehudin  
and 29 others

1st October  
1966

(continued)

	conditions of the licence issued under Clause 3 of this Agreement	
Supervi- sion and control by State Forest Officer	3. (1) All operations in the Agree- ment Area shall be under the general supervision of and controlled by the State Forest Officer by the issue of a succession of licences under Form I in accordance with the Forest Rules 1935	
	(2) The Licensee shall not fell timber within or remove timber from the Agreement Area except in or from the Area held under a licence Form I (hereinafter called the Licence Area) issued by the State Forest Officer.	10
Payment of royalti- es	4. The Licensee will pay the State Government royalty on all timber removed from the Licence Area at the rates from time to time in force as published in the Government Gazette. The amount of royalties due shall be paid monthly.	20
Minimum Outturn of timber from Licence Area	5. Notwithstanding anything here- inbefore contained, commencing from the date of signing of this Agreement the Licensee shall main- tain an outturn from the Licence Area averaging not less than 350,000 cubic feet of round timber per annum, as assessed for royalty purposes, over any period of 3 (three) consecutive years	30
Additional premium to be paid	6. (a) The Licensee shall pay in addition to royalties a premium in respect of each and every licence issued under Clause 3. The premium for the first licence issued under this agreement shall be calculated at the rate of \$2.40 cents per acre per annum. Thereafter the licensee shall pay the premium for each and subsequent licences at such rate as may be fixed by the Government from time to time	40
	(b) If at any time after the issue of the licence the Company is forced to suspend felling operation due to circumstances beyond his	



control the annual premium shall be proportionately reduced or commuted for the period incurred at the discretion of the Executive Council

EXHIBITS

P1  
Agreement  
between Govern-  
ment of State  
of Pahang and  
Y.B.Inche  
Sellehudin and  
29 others

Felling  
Plans

7. The Licensee shall prepare and maintain extraction plans covering two years of prospective work on the basis of a felling plan prepared by the State Forest Officer.

10

Disposal  
of surplus  
timber

8. The State Government shall have the right to dispose of any surplus timber within the Agreement Area resulting from the failure of the Licensee to exploit the forest at the rate laid down in Clause 5 of this Agreement, or left behind after the termination of each licence issued and the Licensee shall have no claim to compensation for the use of roads built by them and used by other buyers to whom such surplus timber may be sold.

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Operation  
of a  
sawmill

9. No sawmill shall be erected by the Licensee except under a licence issued by the State Forest Officer who may impose conditions conformable to law.

Road  
Construc-  
tion and  
Mainte-  
nance

10. (1) The Licensee shall construct main timber extraction roads according to routes approved by the State Forest Officer and shall maintain them to a standard permitting use in all weather conditions and capable of allowing a fully loaded five ton lorry to travel at an average speed of ten miles per hour throughout its length. The aggregate length of roads which the Licensee shall be required to construct to this specification shall not without the consent of Licensee exceed 3 (three) miles.

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(2) All roads constructed within the Agreement Area shall become the property of the Government and no bridges culverts or any part of the road formation shall be removed neither shall the roads be obstructed in any way.

EXHIBITS

P1  
Agreement  
between  
Government of  
State of  
Pahang and  
Y.B.Inche  
Sellehudin  
and 29 others

1st October  
1966

(continued)

Other auth-  
orised road  
users

Government  
may take  
over main-  
tenance of  
road

Alienation  
and use  
of land for  
other pur-  
poses

(3) Subject to the approval of the District Forest Officer in each case (which approval shall not be unreasonably withheld) no royalty shall be payable on timber used in the construction of bridges and culverts.

11. The Government reserves the right to authorise other timber licensees or any persons to use any road constructed by the Licensee under the terms of this Agreement, but in such circumstances the liability for maintenance of the road shall be shared in proportion to the estimated usage of the road by each authorised user as decided by the State Forest Officer.

12. The Government reserves the right to take over the maintenance of any road or section of road at any time during the period of the Agreement but in such an even the Licensee shall be allowed to continue to have the free use of the road and no restrictions as regards the weight of vehicles shall be imposed which are less favourable than those in force on the main highways of the State.

13. (1) Provided that the Licensee has been issued with a licence under Clause 3(1) of this Agreement over any part of the Agreement Area for a period of not less than one year, none of the rights granted under this Agreement shall be deemed to prevent the Government from alienating any such land or making use of such land for any purpose it may choose.

(2) The Government reserves the right to excise from the Agreement Area any land which is found not to contain "productive Forest" as defined in Clause 2(2) of this Agreement. In any such cases the premium as assessed under Clause 6(1) shall be reassessed as from the date on which the land is excised.

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Persons employed

14. Not less than SEVENTY FIVE PER CENT of the persons employed by the Licensee within the Agreement Area shall be subjects of His Highness the Ruler or Citizens of the Federation of Malaya.

EXHIBITS

P1  
Agreement between Government of State of Pahang and Y.B.Inche Sellehudin and 29 others

10

Duration of Agreement

15. Subject to the conditions set out herein this Agreement shall remain in force for a period of 24 (Twenty-four) years from the date of signature

1st October 1966

Transfer of rights

16. The Licensee shall not assign sub-let or transfer the whole or any part of its rights under this Agreement to any other persons whatsoever without first obtaining the written consent of the Menteri Besar

(continued)

20

Right to Cancellation

18. Any breach of or failure to comply to any of the above condition will render the Agreement to be summarily cancelled. In that event, no compensation shall arise in respect of such cancellation of this Agreement.

Signed for and on behalf )  
of the Government of the ) Sd. (Illegible)  
State of Pahang by :- )  
Menteri Besar, Pahang ) Mentri Besar  
Pahang

30

In the presence of witnesses:-

- (1)
- (2)

Signed by :

- 1.
  - (i) Nama: YB.INCHE' SELLEHUDIN
  - (ii) K.P.No: 3077507
- 2. (i) Nama: S. BAHARON BIN S.AHMAD
- (ii) K.P.No: 1322517
- 3.
  - (i) Nama: MAT.SOH BIN SULAIMAN
  - (ii) K.P.No: 0256478

EXHIBITS

P1  
Agreement  
between  
Government of  
State of  
Pahang and  
Y.B.Inche  
Sellehudin  
and 29 others

1st October  
1966  
(continued)

4. (i) Nama: HALIMAN BINTI ZUKI  
(ii) K.P.No: 3864817
5. (i) Nama: MOHD. TAHAR BIN TUS  
(ii) K.P.No: 1326341
6. (i) Nama: MOHD. ARSHAD BIN HASSAUL  
(ii) K.P.No: 326006
7. (i) Nama: MOHAMED RASHID BIN HUSSIN  
(ii) K.P.No: 0927774
8. (i) Nama: AWANG BIN HAMID  
(ii) K.P.No: 2517104
9. (i) Nama: WAN ABDUL TALIB B.UNGKU NGAH  
(ii) K.P.No: 1326023
10. (i) Nama: WAN TAHIR BIN WAN  
(ii) K.P.No: 1326001
11. (i) Nama: AMINAH BTE ZUBIR  
(ii) K.P.No: 3573870
12. (i) Nama: RAWI BIN LEMIN  
(ii) K.P.No: 2032131
13. (i) Nama: OMAR BIN HAJI SULAIMAN  
(ii) K.P.No: 2031525
14. (i) Nama: GANI BIN KATAN  
(ii) K.P.No: 3073669
15. (i) Nama: MOHAMED AKHIR BIN MANJA  
(ii) K.P.No: 0249155
16. (i) Nama: OSMAN BIN BUNTAI  
(ii) K.P.No: 2031458
17. (i) Nama: SHARIF BIN KERIA  
(ii) K.P.No: 2032107

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EXHIBIT

18. (i) Nama: AHMAD BIN HAJI MOHD.TAHAR  
(ii) K.P.No: 2031417
19. (i) Nama: SUHAIMI BIN MOHD. SALLEH  
(ii) K.P.No: 0256912
20. (i) Nama: WAHAB BIN MAT ARIS  
(ii) K.P.No: 1327967
- 10 21. (i) Nama: ISMAIL BIN MD.SIDEK  
(ii) K.P.No: 1326289
22. (i) Nama: (illegible)  
(ii) K.P.No: 1326421
23. (i) Nama: (illegible)  
(ii) K.P.No: 1323482
- 20 24. (i) Nama: HARUN BIN ABDULLAH  
(ii) K.P.No: 2871201
25. (i) Nama: MANSOR BIN SHAH PARI  
(ii) K.P.No: 3076859
26. (i) Nama: YM.ENGKU ABDUL JAMAL B.ENGKU MUDA  
MANSOR  
(ii) K.P.No: 0936390
- 30 27. (i) Nama: AHMAD BIN KASSIM  
(ii) K.P.No: 1324821
28. (i) Nama: SALLEH BIN ABDULLAH  
(ii) K.P.No: 0260142
29. (i) Nama: MOHAMAD SANUSI BIN HAJI ABDUL LATIFF  
(ii) K.P.No. 3491412
- 40 30. (i) Nama: TO' MUDA HAJI AWANG BIN HAJI HASSAN  
(ii) K.P.No: 0928530

P1  
Agreement  
between  
Government of  
State of  
Pahang and  
Y.B.Inche  
Sellehudin  
and 29 others

1st October  
1966

(continued)

In the presence of witnesses :-

- (1)  
(2)

EXHIBITS"APPENDIX A"

<u>P1</u>	<u>Nama</u>	<u>I/C No.</u>	<u>Address</u>	
Agreement between Government of State of Pahang and Y.B.Inche Sellehudin and 29 others  1st, October 1966  (continued)	1. YB.Inche'Sellehudin b.Aw.Pekan	3077507	Kampong Raja, Chenor	
	2. S.Baharon bin S.Ahmad	1322517	Kg.Rantau Panjang,Lancha	
	3. Mat.Soh bin Sulaiman	0256478	Kg.Bukit Lada, Temerloh	
	4. Haliman binti Zuki	3864817	Kg.Tengah, Temerloh	10
	5. Mohd.Tahar bin Tus	1326341	Kampong Chenor, Temerloh	
	6. Mohd.Arshad bin Hassaul	326006	Kg.Chenor, Temerloh	
	7. Mohamed Rashid bin Hussin	0927774	Kg.Buntut Pulau,Temerloh	
	8. Awang bin Hamid	2517104	Kampong Bongsu, Lanchang	
	9. Wan Abdul Talib b. Ungku Ngah	1326023	Kampong Raja, Chenor	20
	10. Wan Tahir bin Wan Mohamed	1326001	Kampong Chenor, Temerloh	
	11. Aminah binti Zubir	3573870	47, Lee Chan Garden, M'tka	
	12. Rawi bin Lemin	2032131	Kg.Pasir Bagan, Dong.	
	13. Omar bin Haji Salaiman	2031525	Kampong Dong, Raub	
	14. Gani bin Katan	3073669	Kampong Bolok, Lanchang	30
	19. Mohd.Akhir bin Manja	0249155	Kg.Kuala Atok, Sega. Raub	
	16. Osmar bin Buntal	2031458	Kg.Durian Sebatang,Dong	
	17. Sharif bin Koria	2032107	Kampong Dong, Raub	
	18. Ahmad bin Haji Mohd. Tahar	2031417	Kg.Durian Sebatan, Raub	
	19. Suhaimi bin Mohd, Salloh	0256912	Kg.Telok Mengkuan, Bangau	40
	20. Wahab bin Mat.Aris	1327967	Kg.Kuala Sentul, Maran	

	<u>Nama</u>	<u>I/C No.</u>	<u>Address</u>	<u>EXHIBITS</u>
	21. Ismail bin Md.Sidek	1326289	32 Pekan Chenor Temerloh	P1 Agreement between
	22. Osman bin Bakar	1326421	Kg.Raja Chenor	Government of
	23. Taib bin Othman	1323482	Kg.Bolok, Lanchang	State of Pahang and Y.B.Inche Sellenhudin
	24. Harun bin Abdullah	2871201	2 Main Street, Kuantan	and 29 others
10	25. Manso bin Shah Pari	3076859	Kampong Dong, Raub	1st October 1966
	26. YM.Engku Abdul Jamal b. Engku Muda Mansor	0936390	Pekan, Pahang	(continued)
	27. Ahmad bin Kassim	1324821	Kg.Jeragan, Lanchang	
	28. Salleh bin Abdullah	0260142	Kampong Bangau, Temerloh	
	29. Mohd.Sanusi b.Hj.Ab. Latiff	3491412	Kg.Sg.Lin, Jalan Maran, T'1	
20	30. To' Muda Haji Awang bin Haji Hassan	0928530	Kg.Durian Tawar, Mukim Triang, Temerloh	

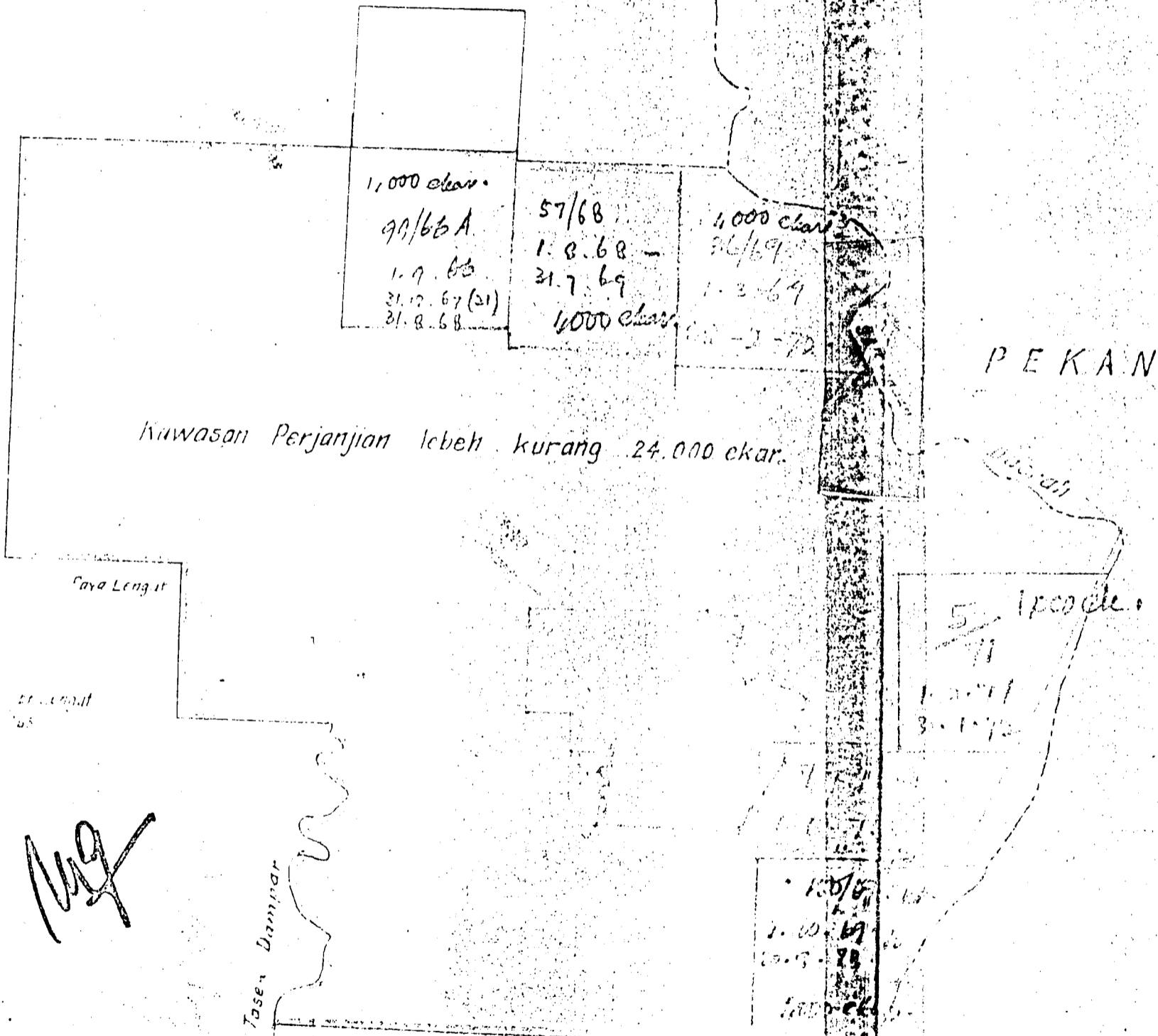
202

PLAN A

Mukim Bera  
DISTRICT TEMERLOH  
Topo Map 3.C.15,16 3.6 384  
Scale 1 Inch to a Mile

94  
80

94  
97



Di-tangkap oleh [Signature]  
14. 9. 66



EXHIBITS

AB 19

UNDERTAKING AU AH WAH  
TO KHAW JOO CHAU

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EXHIBITS

Agreed bundle  
of documents  
marked A.B.

AB 19  
Undertaking  
Au Ah Way to  
Khaw Joo Chau  
23rd February  
1973

This is an undertaking to Mr. Khaw Joo Chau  
of Kuantan to find a suitable person to take  
over the right over 18,000 acres of forest land.

The terms are as follows :-

10

- 1) \$1,200,000/- to be paid on signing  
of agreement and you will have the  
sole right to log all the area subject  
to :-
- 2) \$80,000/- exclusive of premium etc. to  
me on the issue of every licence for  
1,000 acres.
- 3) This offer is good up till 15.3.1973.

This undertaking is not binding on me or  
anyone.

Dated 23rd day of February, 1973

20

Sd: A.W.Au  
Au Ah Wah

EXHIBITS

Agreed bundle  
of documents  
marked A.B.

AB 1-6  
Agreement  
between Au Ah  
Wah and  
Appellant

20th March  
1973

EXHIBITS

AB 1-6

AGREEMENT BETWEEN AU AH  
WAH AND APPELLANT

AN AGREEMENT made this 20th day of March 1973 BETWEEN AU AH WAH (N.R.I.C. No:3959516) of Chartered Bank Chambers, 1st Floor, Room 'F' Jalan Wall, Kuantan (hereinafter known as the First Party) AND PANG CHOON KONG of No: 48 Jalan Tenang, Labis (hereinafter known as the Second Party).

10

WHEREAS the First Party has the rights over 18,000 acres of forest land in the Mukim of Bera, Temerloh (hereinafter known as the Area) for the purpose of logging (vide File No:PHN PHG. 122/66 of Ibu Pejabat Hutan Negeri, Kuantan).

AND WHEREAS the Second Party is desirous of acquiring all the rights from the First Party in respect of the logging rights over the said 18,000 acres forest land mentioned above

20

NOW IT IS AGREED BETWEEN THE PARTIES as follows :-

1. The First Party agrees to transfer all his rights over to the Second Party under the following terms.

2. The Second Party agreed to pay M/s. Ong Ban Chai & Co. as stakeholders for the First Party a sum of \$1,200,000/-. The sum of \$120,000/- shall be paid on the signing of this agreement (the First Party hereby acknowledges the receipt of the said sum of \$120,000/-).

30

3. The First Party agrees to form a limited company under the Companies Act, 1965 for the Second Party. The Second Party agrees to inform the First Party the name of the company as early as possible. The authorized capital of the company shall be fixed at \$3,000,000/-. The expenses and fees involved in the formation and registration of this company shall be borne by the Second Party.

40

4. After the Company shall have been duly registered with the Registrar of Companies, Malaysia, the First Party shall endeavour to obtain the approval of the Government of Pahang

and the consent of the thirty forest licencees to enter into an agreement in the name of the Company and the Government of Pahang so that the Company itself shall have the sole right over the said Area. The name of the thirty forest licencees is stated in the list attached herewith and marked "A".

EXHIBITS  
Agreed bundle  
of documents  
marked A.B.

AB 1-6  
Agreement  
between Au Ah  
Wah and  
Appellant  
20th March 1973  
(continued)

10 5. All the thirty forest licencees shall have one share each in the Company and the First Party shall obtain the transfer of all the shares to the name of the Second Party or his nominees. The consideration for the transfer shall be paid by the Second Party to the First Party on the signing of the transfers by the thirty forest licencees.

20 6. The consideration stated in Clause 5 above shall be the sum of \$1,200,000/- as stated in Clause 2 above and the Second Party agrees and undertakes to provide this sum to the First Party for the purpose of paying off the thirty forest licencees for the transfers of their respective shares to the name of the Second Party less \$120,000/- which has been paid to the First Party.

30 7. The Second Party and the Company agree and undertake severally to pay the First Party the sum of \$80,000/- for every forest licence of 1,000 acres which may be issued by the Forest Department from time to time to the Company for the purpose of felling and logging timber in the Area.

8. The Second Party shall, as soon as the shares of the thirty forest licencees have been transferred to the name of the Second Party, in the name of the Company enter into an agreement with the First Party undertaking to pay to the First Party the sum of \$80,000/- for every forest licence of 1,000 acres that may be issued from time to time by the Forest Department.

40 9. In the event of the Second Party or the Company failing to pay the sum of \$80,000/- for every forest licence of 1,000 acres of forest land the First Party shall have the liberty and in the name of the Company to enter the forest land and to fell and log any area covered by any forest licence without any hindrance and the Second Party or the Company shall have no right to interfere with any logging operations conducted by the First Party therein and the Second Party and the Company are obliged to withdraw all their men

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EXHIBITS

Agreed bundle  
of documents  
marked A.B.

AB 1-6  
Agreement  
between Au Ah  
Wah and  
Appellant  
20th March  
1973

(continued)

and machinery from the Area.

10. The First Party agrees and undertakes to obtain the approval of the Government of Pahang and the consent of the thirty forest licencees to enter into an agreement as stated in Clause 4 above within a period of three months.

11. In the event of the First Party being unable to obtain the approval of the Government of Pahang and the consent of the thirty forest Licencees to enter into the agreement stated above within the time specified above, the First Party shall return forthwith the sum of \$120,000/- less \$5,000/- as expenses incurred for the formation of the said limited Company.

12. This agreement is binding on the heirs, administrators, legal representatives, successors-in-titles and assigns of the parties hereto.

GIVEN under our hands on the day and year first written above.

SIGNED by the said )  
AH AU WAH in the ) Sd. A.W.Au  
presence of : )

Sd: (Illegible)

Witness

SIGNED by the said )  
PANG CHOON KONG in ) Sd: Pang  
the presence of: )

Sd: (Illegible)

Witness

10

20

30

ENCLOSURE "A"

The List of Thirty Forest Licencees

EXHIBITS

Agreed bundle  
of documents  
marked A.B.

AB 1-6  
Agreement  
between Au Ah  
Wah and  
Appellant  
20th March  
1973

(continued)

1. Sallehuddin b. Aw. Pekan
2. Baharon bin S. Ahmad
3. Mat Seh bin Sulaiman
4. Halimah binti Zuki
5. Mohd. Tabar bin Tus
6. Mohd. Arshad bin Hassan
7. Mohamed Bashid b. Hussin
- 10 8. Awang bin Hamid
9. W.Abdul Talib b. Ungku Ngah
10. W.Tahir bin W.Mohamed
11. Aminah binti Zubir
12. Rawi bin Lemin
13. Omar b. Haji Sulaiman
14. Ghani bin Katan
15. Modh. Akhir bin Manja
16. Osman bin Buntal
17. Sharif bin Keria
- 20 18. Ahmad b. Haji Mohd. Tahar
19. Suhaimi b. Mohd. Salleh
20. Wahab bin Mat. Aris
21. Ismail bin Md. Sidek
22. Osman bin Bakar
23. Taib bin Othman
24. Harun bin Abdullah
25. Mansor bin Shah Pari
26. YM. Engku Abdul Jamal bin Engku Muda Mansor
27. Ahmad bin Kassim
- 30 28. Salleh bin Abdullah
29. Mohd. Sanusi b. Hj. Abdul Latiff
30. To' Muda Haji Awang bin Haji Hassan

EXHIBITS

Agreed bundle  
of documents  
marked A.B.

AB 22-25  
Agreement  
between  
Appellant and  
Chang Lun Yuan  
and Lim Chung  
Hai

29th March  
1973

EXHIBITS

AB 22-25

AGREEMENT BETWEEN APPELLANT  
AND CHANG LUN YUAN AND LIM  
CHUNG HAI

THIS AGREEMENT is made this 29th day of  
March 1973 between PANG CHOON KONG of No.48,  
Jalan Tenang, Labis (hereinafter called the  
First Party) and CHANG LUN YUAN (Nric No.0073697)  
of No.2, Jalan Suka, Singapore 14 (hereinafter  
called the Second Party) and LIM CHUNG HAI (Nric  
No. 2345557) of No.87D, Jalan Merpati, Singapore  
13 (hereinafter called the Third Party)

10

WHEREAS the First Party has entered into  
two separate Agreements with Au Ah Wah and with  
Lin Wyen Pang, Chew Teng Cheong and Loh Kian Tee  
in March, 1973 (hereinafter called "the said  
contracts")

AND WHEREAS the Second and Third Parties  
have delegated the power to the First Party to  
enter into the said contracts

20

AND WHEREAS the First Party and the Second  
Party and Third Party are jointly responsible  
for any liabilities and benefits under the  
aforesaid contracts

NOW THIS AGREEMENT WITNESSETH as follows:-

1. In consideration of the First Party signing  
the said contracts with the relevant Parties  
as aforesaid, the Second Party covenants with  
the First Party as follows :-

30

(a) to pay forty five percent (45%) that  
are due under the said contracts in  
respect of sixteen thousand acres of  
forest land and similarly to accept  
forty five percent (45%) of the profits  
and benefits pursuant to the said  
contracts in respect of the sixteen  
thousand acres of forest land only and  
to indemnify the First Party accordingly  
in the performance and execution of the  
said contracts

40

2. The Third Party covenants with the First  
Party as follows :-

10 (a) to pay twenty five percent (25%) of the total consideration due under the said contracts to the relevant Parties in respect of the sixteen thousand acres of forest land and to accept in the same proportion, profits and benefits therein and to indemnify the First Party in the same proportion and to indemnify the First Party in the performance and execution of the said contracts.

3. It is further agreed and provided that the Second Party shall contribute forty percent (40%) of the total consideration in respect of two thousand acres of forest land under the said contracts and similarly to accept profits and benefits in the same proportion and to indemnify the First Party in the performance and execution of the said contracts

20 4. It is also agreed and provided that the Third Party shall contribute twenty percent (20%) of the total consideration in respect of two thousand acres of forest land under the said contracts and to accept the same proportion the profits and benefits therein and to indemnify the First Party in the performance and execution of the said contracts

5. The First Party covenants with the Second and Third Parties as follows :-

30 (a) to faithfully carry out and perform the said contracts that was entered between the First Party and the relevant Parties as aforesaid;

(b) to diligently perform, execute the obligations and duties under the said contracts;

(c) to pay the profits and benefits under the said contracts to the Second Party and Third Party accordingly;

40 (d) to bear the remaining proportion of the liabilities, expenses due under the said contracts;

(e) to receive the profits that may be due under the said contracts in the remaining proportion.

IN WITNESS WHEREOF the parties hereto have

EXHIBITS

Agreed bundle of documents marked A.B.

AB 22-25 Agreement between Appellant and Chang Lun Yuan and Lim Chung Hai

29th March 1973

(continued)

EXHIBITS  
Agreed bundle  
of documents  
marked A.B.  
AB 22-25  
Agreement  
between  
Appellant and  
Chang Lun Yuan  
and Lim Chung  
Hai

hereunto set their hands the day, month and  
year first above written

SIGNED AND DELIVERED )  
by the abovenamed ) Sd. Pang C.K.  
PANG CHOON KONG in )  
the presence of :- )

Sd. (Illegible)

ADVOCATE & SOLICITOR  
JOHORE, BAHRU

29th March  
1973

SIGNED AND DELIVERED )  
by the abovenamed ) Sd. C.L.Yuan  
CHANG LUN YUAN in )  
the presence of :- )

10

Sd. (Illegible)

ADVOCATE & SOLICITOR  
JOHORE, BAHRU

(continued)

SIGNED AND DELIVERED )  
by the abovenamed ) Sd. (In Chinese)  
LIM CHUNG HAI in )  
the presence of :- )

20

Sd. (Illegible)

ADVOCATE & SOLICITOR  
JOHORE, BAHRU



EXHIBITS

AB 7-10

AGREEMENT BETWEEN APPELLANT  
AND RESPONDENTS

EXHIBITS

Agreed bundle  
of documents  
marked A.B.

AB 7-10

Agreement  
between  
Appellant and  
Respondents

31st March  
1973

10

AN AGREEMENT is made this 31st day of March 1973 between PANG CHOON KONG of No.48, Jalan Tenang, Labis (hereinafter known as the First Party) and LIN WYEN PANG (Nric No. 1034993) of No.120, Jalan Post Office, (illegible) Morning and CHEW TENG CHEONG (Nric No. 0130304 S'pore) of Block 10, Room 43C, Kempan Road and IOH KIAN TEE (Nric No. 1053433S'pore) of No.48-C, Block 113, Ho Ching Road (hereinafter known as the Second, Third and Fourth Parties)

20

WHEREAS the First Party has entered into an Agreement with AU AH WAH (Nric No.3959-16) of Chartered Bank Chambers, 1st Floor, Room 'F' Jalan Wall, Kuantan on the 20th day of March, 1973 (hereinafter referred to as the "said contract")

AND WHEREAS the Second, Third and Fourth Parties were responsible for the securing of the subject matter of the Agreement as entered between Au Ah Wah and the First Party that is: \$1.2 million contract on the 18,000 acres of timber land

30

AND WHEREAS the Second, Third and Fourth Parties have agreed to assign directly and allow the First Party to enter into the aforesaid contract with Au Ah Wah and to take the benefits of the said forest land

NOW THIS AGREEMENT WITNESSETH as follows :-

1. In consideration of the Second, Third and Fourth Parties relinquishing the rights to the 18,000 acres of forest land the subject matter of the said contract between the First Party and Au Ah Wah dated 20th day of March, 1973 the First Party hereby covenants with the Second, Third and Fourth Parties as follows :

40

- (a) to pay the sum of Dollars Fifty (\$50.00) per acre on the said forest land of 18,000 acres that is : Dollars Nine hundred thousand(\$900,000.00) to the Second, Third and Fourth Parties in equal shares upon the performance of the said contract between Au Ah Wah and

EXHIBITS

Agreed bundle  
of documents  
marked A.B.

AB 7-10  
Agreement  
between  
Appellant and  
Respondents

31st March  
1973

(continued)

Pang Choon Kong that is to say upon  
payment of the entire consideration  
of \$1.2 million to Au Ah Wah subject  
to the following terms;

(b) to pay the Second, Third and Fourth  
Parties the sum of Dollars Five hundred  
and Forty thousand (\$540,000/-) as  
aforesaid within two (2) weeks on the  
performance of the contract with Au  
Ah Wah; provided that the licence to  
fell timber for the first thousand  
acres be issued by the relevant  
Authorities; 10

(c) to pay the Second, Third and Fourth  
Parties the sum of Dollars Three hundred  
and Sixty thousand (\$360,000/-) within  
six (6) months after the first payment  
of the Dollars Five hundred and Forty  
thousand (\$540,000.00) as aforesaid  
and provided always that the licence to  
fell timber on the first thousand  
acres shall be granted pursuant to the  
said contract between the First Party  
and Au Ah Wah and the First Party shall  
issue a post-dated cheque within six  
(6) months upon the first payment of the  
\$540,000.00 to the Second, Third and  
Fourth Parties, in equal shares. 20

2. The Second, Third and Fourth Parties  
covenants with the First Party as follows :- 30

(a) to receive the sum of Dollars Nine  
hundred thousand (\$900,000.00) upon  
the performance of the contract entered  
between the First Party and Au Ah Wah  
in terms as stipulated.

IN WITNESS WHEREOF the Parties hereto  
have hereunto set their hands the day, month and  
year first above written

SIGNED AND DELIVERED )  
by the abovenamed ) Sd. Pang C.K. 40  
PANG CHOON KONG in )  
the presence of : )

Sd. (Illegible)  
ADVOCATE & SOLICITOR  
JOHORE BAHRU

SIGNED AND DELIVERED )  
by the abovenamed ) Sd:  
LIN WYEN PANG and )  
CHEW TENG CHEONG and ) Sd:  
LOH KIAN TEE in the ) Sd:  
presence of :- )

Sd: (Illegible)  
ADVOCATE & SOLICITOR  
JOHORE BAHRU

EXHIBITS  
Agreed bundle  
of documents  
marked A.B.

AB 7-10  
Agreement  
between  
Appellant and  
Respondents

31st March  
1973

(continued)

10

EXHIBITS

P6

LETTER - ONG BAN CHAI  
& CO. TO AU AH WAH & CO.

ONG BAN CHAI & CO. 4th Floor, Foh Chong  
Advocates & Solicitors Building  
Jalan Ibrahim,  
Johore Bahru

OCB/B/AG.3/73

16th August 1973

20

Messrs. Au Ah Wah & Co. A.R. REGISTERED  
Advocates & Solicitors  
Chartered Bank Chambers  
1st Floor, Room F  
Jalan Wall  
Kuantan, Pahang

Dear Sirs,

Agreement between Au Ah Wah and  
Pang Choon Kong on 20-3-1973

30

We refer to the Agreement dated 20th March  
1973 entered into between your Mr. Au Ah Wah  
and our client Mr. Pang Choon Kong whereby Mr.  
Au undertook to form a company and secure forest  
licences for the purpose of logging business.

The period of three (3) months as stipulated  
in Clause 10 of the said Agreement is now over.

Our client instructs us to say that unless  
you complete your part of the bargain within  
one (1) week from the date of receipt of this

EXHIBITS

P6  
Letter - Ong  
Ban Chai & Co.  
to Au Ah Wah  
& Co.  
16th August  
1973  
(continued)

letter our client shall treat this Agreement as lapsed and request you to refund all the monies received by you to us on behalf of our client.

Yours faithfully  
Sd: ONG BAN CHAI & CO.

c.c. Client

Agreed bundle  
of documents  
marked A.B.

EXHIBITS  
AB 26-28

AB 26-28  
Agreement  
between  
Appellant  
and Chang  
Lun Yuan and  
Au Ah Wah  
7th September  
1973

AGREEMENT BETWEEN APPELLANT AND CHANG  
LUN YUAN AND AU AH WAH

10

AN AGREEMENT made this 7th day of September, 1973 BETWEEN PANG CHOON KONG and CHANG LUN YUAN of Johore (hereinafter referred to as the First Party) AND AU AH WAH of Kuantan (hereinafter referred to as the Second Party)

WHEREAS on the 20th day of March, 1973 an agreement was entered into between the Second Party and Mr. Pang Choon Kong concerning 24,000 acres of forest land (6,000 acres of which have been worked out) in the Mukim of Bera, Temerloh

20

AND WHEREAS Mr. Pang Choon Kong and the Second Party are desirous of rescinding the agreement mentioned above

NOW IT IS AGREED BETWEEN THE PARTIES as follows :-

1. The Second Party acknowledges that he has received the sum of \$120,000/- from Mr. Pang Choon Kong pursuant to the agreement mentioned above
2. The First Party agrees to advance a further sum of \$150,000/- to the Second Party on the signing of this agreement (the receipt of which the Second Party hereby acknowledges)
3. The Second Party agrees and undertakes to

30

pay this sum of \$150,000/- to 15 forest licencees of the forest area mentioned above. Each forest licencee shall be paid the sum of \$10,000/-.

EXHIBITS  
Agreed bundle  
of documents  
marked A.B.

4. The First Party agrees to pay a further sum of \$825,000/- to the Second Party for the purpose of payment to the 15 forest licencees at the rate of \$55,000/- per licencee after the First Forest Licence has been issued and the shares of the company are transferred to the First Party.

AB 26-28  
Agreement  
between  
Appellant and  
Chang Lun Yuan  
and Au Ah Wah

10

5. In the event of the Second Party failing or refusing to allow the First Party to work the said forest area, the Second Party agrees to pay a liquidated damages of five times the amount of money taken from the First Party.

7th September  
1973

(continued)

5a. In the event that the Government shall cancel the agreement to grant the Forest Licence, the Second Party shall refund \$185,000/- to the First Party, and this agreement shall lapse.

20

6. The First Party agrees to pay the Second Party the sum of \$80,000/- for every licence of 1,000 acres each. The \$120,000/- mentioned in clause 1 above shall be treated as advance payment to the Second Party. The First Party shall be at liberty to deduct the sum of \$20,000/- for every forest licence until the whole amount of \$120,000/- shall have been deducted.

30

7. In the event of the Second Party failing to pay the sum of \$150,000/- as stated in clause 3 and the sum of \$825,000/- as stated in clause 4 above to the forest licencees, the Second Party agrees to refund both these sums to the First Party forthwith

40

8. It is expressly agreed that after the payment of the two sums mentioned above, the Second Party absolutely assigns all his interests in the forest area mentioned above to the First Party except that the First Party must pay the Second Party the sum of \$80,000/- for every licence of 1,000 acres

9. This agreement is binding on the heirs, administrators, legal representatives, successors in titles and assigns of the parties hereunto

GIVEN under our hands on the day and year first written above

EXHIBITS  
Agreed bundle  
of documents  
marked A.B.

SIGNED by the said )  
PANG CHOON KONG and ) Sd: Pang C.K.  
CHANG LUN YUAN in )  
the presence of :- ) Sd: Y.L.Chang

AB 26-28  
Agreement  
between  
Appellant and  
Chang Lun Yuan  
and Au Ah Wah

Sd: (Illegible)  
Witness

7th September  
1973

SIGNED by the said )  
AU AH WAH in the ) Sd: A.W.Au  
presence of : )

(contunued)

Sd: (Illegible)  
Witness

10

AB 29-30  
Agreement  
between Tan  
Seng Eng @  
Tan Chong Chu  
and Au Ah Wah

EXHIBITS  
AB 29-30

AGREEMENT BETWEEN TAN  
SENG ENG @ TAN CHONG  
CHU AND AU AH WAH

7th September  
1973

AN AGREEMENT made this 7th day of September  
1973 BETWEEN TAN SENG ENG @ TAN CHONG CHU of  
Labis (hereinafter referred to as the First  
Party) and AU AH WAH of Kuantan (hereinafter  
referred to as the Second Party)

20

WHEREAS the Second Party is able to get the  
signatures of the 15 forest licences of the  
24,000 acres (6,000 acres of which have been  
worked out) of forest land in the Mukim of Bera  
Temerloh for the rights to work the said forest  
and WHEREAS the Second Party is also able to  
obtain the signatures of the similar of forest  
licences

NOW IT IS AGREED BETWEEN THE PARTIES as  
follows :-

30

1. In consideration of Mr. Pang Choon Kong  
and Chang Lun Yuan agreeing to advance the sum  
of \$150,000/- to the Second Party for the  
purpose of payment to 15 forest licences of the  
forest area mentioned above, the Second Party  
undertakes to pay the \$150,000/- to 15 forest  
licences at the rate of \$10,000/- each.

2. In the event of the Second Party failing to pay \$150,000/- to the 15 forest licencees, the Second Party undertakes to refund the \$150,000/- to Mr. Pang Choon Kong and Chang Lun Yuan and should the Second Party fail to refund the said sum to Mr. Pang Choon Kong and Chang Lun Yuan, the First Party shall pay the said sum to Mr. Pang Choon Kong and Chang Lun Yuan but the First Party shall recover the said sum of \$150,000/- from the Second Party
3. The Second Party agrees that the forest area of the 15 forest licencees shall be worked by Mr. Pang Choon Kong and Chang Lun Yuan in any event
4. The First Party agrees and undertakes that the forest area of his 15 forest licencees shall likewise join up with the forest area of the 15 forest licencees belonging to the Second Party provided that in the event of the Governmental Authorities allowing a split up, then the First Party shall at liberty to work the forest area belonging to his 15 forest licencees but the forest area belonging to the 15 forest licencees of the Second Party shall in any event be worked by Mr. Pang Choon Kong and Mr. Chang Lun Yuan
5. In the event that there is a split up, then clause 2 shall not operate and the First Party shall be absolved from liability
6. This agreement is binding on the heirs, administrators, legal representatives, successors-in-title and assigns of the parties hereunto

EXHIBITS  
 Agreed bundle of documents marked A.B.

AB 29-30  
 Agreement between Tan Seng Eng @ Tan Chong Chu and Au Ah Wah  
 7th September 1973

(continued)

GIVEN under our hands on the day and year first written above

SIGNED by the said )  
 TAN SENG ENG @ TAN )  
 CHONG CHU in the ) Sd:  
 presence of : )

Sd: (Illegible)  
 Witness

SIGNED by the said )  
 AU AH WAH in the ) Sd: A.W.Au  
 presence of : )

Sd: (Illegible)  
 Witness

EXHIBITS

Agreed bundle  
of documents  
marked A.B.

AB 41  
Agreement  
between  
Appellant and  
Au Ah Wah  
7th September  
1973

EXHIBITS

AB 41

AGREEMENT BETWEEN APPELLANT  
AND AU AH WAH

We, the undersigned hereby agree that the agreement made between us on the 20th March, 1973 concerning the forest area in the Mukim of Bera wherein the sum of \$120,000/- was mentioned therein be rescinded.

Dated this 7th day of September, 1973

10

Sd: A.W. Au

Sd: Pang C.K.

AB 31-33  
Agreement  
between Tan  
Seng Eng @  
Tan Chong Chu  
and Appellant  
and Chang Lun  
Yuan

12th September  
1973

EXHIBITS

AB 31-33

AGREEMENT BETWEEN TAN  
SENG ENG @ TAN CHONG CHU  
AND APPELLANT AND CHANG  
LUN YUAN

THIS AGREEMENT made this 12th day of September, 1973 between TAN SENG ENG @ TAN CHONG CHU of No.34, Jalan Pasar, Labis, Johore (hereinafter referred to as "the First Party") and PANG CHOON KONG and CHANG LUN YUAN both of No.97 Jalan Dato Suleiman, Century Gardens, Johore Bahru (hereinafter referred to as "the Second Parties")

20

WHEREAS the First Party had proposed to the Second Parties to enter into the Agreement with AU AH WAH on 7th September, 1973 on the 18,000 acres of forest land in the Mukim of Bera, Temerloh, in the State of Pahang

30

AND WHEREAS the Second Parties had entered into an agreement as proposed with Au Ah Wah

NOW IT IS AGREED BETWEEN THE PARTIES as follows :



10 In consideration of the Second Parties entering into an agreement with Au Ah Wah on 7th September, 1973 the First Party undertakes to pay the sum of \$150,000.00 (Dollars One hundred and fifty thousand) only to the Second Parties in the event that Au Ah Wah should fail to secure the necessary signatures of the application for a forest concession and/or fail to secure the approval of the relevant authorities for the forest licences; provided always that in the event that if there is a split-up of the entire forest concession into two or three parties the First Party shall then be absolved from any liability towards the Second Parties in any event.

IN WITNESS WHEREOF the Parties hereto have hereunto set their hands the day month and year first above written

20 SIGNED AND DELIVERED by )  
the said TAN SENG ENG @ ) Sd:  
TAN CHONG CHU in the )  
presence of : )

Sd: (Illegible)  
ADVOCATE & SOLICITOR  
JOHORE BAHRU

SIGNED AND DELIVERED by )  
the said PANG CHOON KONG) Sd: Pang C.K.  
and CHANG LUN YUAN in ) Sd: Yuan C.L.  
the presence of : )

30 Sd: (Illegible)  
ADVOCATE & SOLICITOR  
JOHORE BAHRU

EXHIBITS

Agreed bundle  
of documents  
marked A.B.

AB 31-33  
Agreement  
between Tan  
Seng Eng @ Tan  
Chong Chu  
and Appellant  
and Chang Lun  
Yuan

12th September  
1973

(continued)

EXHIBITS

P2

Agreement  
between  
Government of  
State of  
Pahang and  
Y.B.Inche  
Sellehudin b  
A.W.Pekan and  
29 others

10th November  
1973

EXHIBITS

P2

AGREEMENT BETWEEN GOVERNMENT  
OF STATE OF PAHANG AND Y.B.  
INCHE SELLEHUDIN b A.W.PEKAN  
ABD 29 OTHERS

AGREEMENT FOR THE EXTRACTION OF  
FOREST PRODUCE FROM STATE LAND  
FOREST

AND AGREEMENT made the 10th day of November 10  
in the year One thousand nine hundred and  
seventy-three (1973) between the Government of  
the State of Pahang (hereinafter called the  
State Government) of the one part and YB. Incik  
Sallehuddin b.Aw.Pekan, S.Baharon b. S.Ahmad,  
Mat.Soh bin Sulaiman, Halimah binti Zuki, Mohd.  
Tahar b. Tus, Mohd. Arshad bin Hassan, Mohamed  
Rashid bin Hussin, Awang bin Hamid, Wan Abdul  
Talib b. Ungku Ngah, Wan Tahir bin Wan Mohamed,  
Aminah binti Zubir, Rawi bin Lemin, Omar bin Haji 20  
Sulaiman, Gani bin Katan, Mohd. Akhir bin Manja,  
Osman bin Buntal, Sharif bin Korla, Ahmed bin  
Haji Mohd. Tahar, Suhaimi bin Mohd. Salleh,  
Wahab bin Mat. Aris, Ismail bin Md. Sidek, Osman  
bin Bakar, Taib bin Othman, Harun bin Abdullah,  
Mansor bin Shar Pari, YM. Engku Abdul Jamal b.  
Engku Muda Mansor, Ahmad bin Kassim, Salleh bin  
Abdullah, Mohd. Sanusi b. Hj. Ab.Latiff, and  
To'Muda Haji Awang bin Haji Hassan (hereinafter  
called the Licensee) of the other part 30

WHEREAS an agreement (hereinafter called  
the first Agreement) was made on the 1st day of  
August, 1966 between the Government of the State  
of Pahang of the one part and YB.Incik Sallehudin  
b.Aw.Pekan, S.Baharon bin S.Ahmad, Mat.Seh bin  
Sulaiman, Halimah binti Zuki, Mohd.Tahar bin Tus,  
Mohd.Arshad bin Hassan, Mohamed Rashid bin Hussin,  
Awang bin Hamid, Wan Abdul Talib b.Ungku Ngah, Wan  
Tahir bin Wan Mohamed, Aminah binti Zubir, Rawi  
bin Lemin, Omar bin Haji Sulaiman, Gani bin Katan, 40  
Mohd. Akhir bin Manja, Osman bin Buntal, Sharif  
bin Keria, Ahmad bin Haji Mohd. Tahar, Suhaimi  
bin Mohd.Salleh, Wahab bin Mat.Aris, Ismail bin  
Md. Sidek, Osman bin Bakar, Taib bin Othman, Harun  
b. Abdullah, Mansor b.Shah Pari, YM.Engku Abdul  
Jamal b. Engku Muda Mansor, Ahmad bin Kassim,  
Salleh bin Abdullah, Mohd. Sanusi b. Hj.Ab.Latiff  
and To'Muda Haji Awang bin Haji Hassan of the  
other part (hereinafter called the other parties  
to the first Agreement), for the purpose of felling

and logging timber in an area totalling approximately 24,000 (Twenty-four thousand) acres of State Land Forest at Bera in the Forest District of Temerloh and removing timber therefrom:

EXHIBITS  
P2  
Agreement  
between  
Government of  
State of  
Pahang and  
Y.B.Inche  
Sellehudin b  
A.W.Pekan and  
29 others  
10th November  
1973  
(continued)

10 WHEREAS under the first Agreement afore-  
said, a total acreage of 6,000 (Six thousand)  
acres of forest area in the agreement area was  
successfully felled, logged and removed under  
T.T. 99/66, T.T. 57/68, T.T. 36/69, T.T. 150/69,  
T.T.129/70 and T.T. 5/71 issued by the State  
Government to the Licensee during the period  
between 1st of September 1966 to 31st January,  
1972.

WHEREAS both parties in the first Agreement  
desire to terminate the first Agreement subject  
to the terms and conditions hereinafter mentioned

IT IS HEREBY AGREED as follows :-

- 20 (1) Both parties agree the first Agreement be  
terminated
- 30 (2) The State Government shall enter into  
separate agreements with Syarikat Hayati  
Sdn. Bhd., Syarikat Bertapak Sdn.Bhd., and  
Syarikat Sastiva Bharu Sdn.Bhd. after the  
termination of the first Agreement (for  
particulars of Syarikat Hayati Sdn.Bhd.,  
Syarikat Bertapak Sdn.Bhd. and Syarikat  
Sastiva Bharu Sdn.Bhd. please refer to  
Appendix A , B, C) for the purpose of  
felling and logging of timber in the unworked  
area hereinafter mentioned and removing  
timber therefrom
- 40 (3) The new Agreements with Syarikat Hayati Sdn.  
Bhd., Syarikat Bartapak Sdn.Bhd., and  
Syarikat Sastiva Bharu Sdn.Berhad, herein-  
before mentioned shall only apply to the  
remaining area of unworked forest of  
18,000 (Eighteen thousand) acres in the agreed  
area of 24,000 (Twenty-four thousand) acres  
under the first Agreement as marked red in  
the plan annexed hereto.

Signed for and on behalf of)  
the Government of the State) Sd: Illegible  
of Pahang by :- ) MENTERI BESAR  
Menteri Besar, Pahang ) PAHANG

In the presence of witnesses :-

- (1) Sd: Illegible  
SETIA USAHA  
(2) KEPADA MENTERI BESAR PAHANG

EXHIBITS

Signed by :

P2  
Agreement  
between  
Government of  
State of  
Pahang and  
Y.B. Inche  
Sellehudin b  
A.W.Pekan and  
29 others

10th November  
1973

(continued)

1. (i) Nama: YB. INCIK SALLEHUDDIN BIN AW.  
PEKAN JP.  
(ii) K.P.No.: 3077507
2. (i) Nama: S.BAHARON BIN S.AHMAD  
(ii) K.P.No: 1322517
3. (i) Nama: MAT SEN BIN SULAIMAN  
(ii) K.P.No: 0256478 10
4. (i) Nama: HALIMAH BINTI ZUKI  
(ii) K.P.No: 3864817
5. (i) Nama: MOHD. TAHAR BIN TUS  
(ii) K.P.No: 1326341
6. (i) Nama: MOHD. ARSHAD BIN HASAN  
(ii) K.P.No: 1326006
7. (i) Nama: MOHAMED RASHID BIN HUSSIN  
(ii) K.P. No: 0927774 20
8. (i) Nama: AWANG BIN HAMID  
(ii) K.P.No: 2517104
9. (i) Nama: WAN ABDUL TALIB BIN UNGKU NGAH  
(ii) K.P.No. 1326023
10. (i) Nama: WAN TAHIR BIN WAN MOHAMED  
(ii) K.P.No: 1326001 30
11. (i) Nama: AMINAH BTE ZUBIR  
(ii) K.P.No: 3573870
12. (i) Nama: RAWI BIN LEMIN  
(ii) K.P.No: 2032131
13. (i) Nama: OMAR BIN HAJI SULAIMAN  
(ii) K.P.No: 2031525 40

- EXHIBITS  
P2  
Agreement  
between  
Government of  
State of  
Pahang and  
Y.B.Inche  
Sellehudin b  
A.W.Pekan and  
29 others  
10th November  
1973  
(continued)
14. (i) Nama: GANI BIN KATAN  
(ii) K.P.No; 3073669
15. (i) Nama: MOHAMED AKHIR BIN MANJA  
(ii) K.P.No: 0249155
16. (i) Nama: OSMAN BIN BUNTAI  
(ii) K.P.No: 2031458
- 10 17. (i) Nama: SHARIF BIN KERIA  
(ii) K.P.No: 2032107
18. (i) Nama: AHMAD BIN HAJI MOHD.TAHAR  
(ii) K.P.No: 2031417
19. (i) Nama: SUHAIMI BIN MOHD.SALLEH  
(ii) K.P.No: 0256912
- 20 20. (i) Nama: WAHAB BIN MAT ARIS  
(ii) K.P.No: 1327967
21. (i) Nama: ISMAIL BIN MD. SIDEK  
(ii) K.P.No: 1326289
22. (i) Nama: OSMAN BIN BAKAR  
(ii) K.P.No: 1326421
23. (i) Nama: TAIB BIN OTHMAN  
(ii) K.P.No: 1323482
- 30 24. (i) Nama: HARUN BIN ABDULLAH  
(ii) K.P.No: 2871201
25. (i) Nama: MANSOR BIN SHAH PARI  
(ii) K.P.No: 3076859
26. (i) Nama: YM.ENGKU ABDUL JAMAL B.ENGKU MUDA  
MANSOR  
40 (ii) K.P.No: 0936390
27. (i) Nama: AHMAD BIN KASSIM  
(ii) K.P.No: 1324321

EXHIBITS

P2  
Agreement  
between  
Government of  
State of  
Pahang and  
Y.B.Inche  
Sellehudin b  
A.W.Pekan and  
29 others  
10th November  
1973  
(continued)

28. (i) Nama: MOHAMED SANUSI BIN HAJI ABDUL  
LATIFF  
(ii) K.P.NO: 3491412
29. (i) Nama: SALLEH BIN ABDULLAH  
(ii) K.P.No: 0260142
30. (i) Nama: TO'MUDA HAJI AWANG BIN HAJI HASSAN  
(ii) K.P. No: 0928530

10

In the presence of witnesses :-

- (1) Sd: A.W.Au (K.P.3959516)
- (2) Sd: Illegible (2337711)  
J.Radzi & Co. Klang

Appendix A

Syarikat Hayati Sendirian Berhad

<u>Bil</u>	<u>Nama</u>	<u>Kad Pengenalan</u>	<u>Alamat</u>	
1.	Ismail bin Mhd. Sidek	1326289	32, Pekan Chenor, T'loh	
2.	Wan Tahir b.Wan Mohamed	1326001	Kg.Chenor, Temerloh	20
3.	Wan Hj.Abd.Talib b.Ungku Ngah	1326023	Kg.Raja, Chenor	
4.	Mohd.Sanusi bin Hj. Abd.Larif PJK	3491412	Kg.Sg.Lin, Jln. Maran Temerloh	
5.	Suhaimi bin Mohd. Salleh	0256912	Kg.Telok Mengkuang, Bangau	
6.	Abd.Wahab bin Mat Aris	1327967	Kg.Kuala Sentol, Maran	
7.	Salleh bin Abdullah	0260142	Kg.Bangau, Temerloh	30
8.	Mohd.Arshad bin Hassan	1326006	Kg.Chenor, Temerloh	
9.	Mohd.Tahar bin Tus	1326341	Kg.Chenor, Temerloh	
10.	Ungku Abd.Jamal b.U.Muda Mansor	0936390	Pekan, Pahang	

Appendix B

EXHIBITS

Syarikat Bertapak Sdn.Bhd.

<u>Bil</u>	<u>Nama</u>	<u>Kad Pengenalan</u>	<u>Alamat</u>
1.	Awang b.Hamid	2517104	Kg.Bungsur, Lancang
2.	Harun bin Abdullah	2871201	7, Main Street, K'tn.
3.	Md.Rashid bin Hussin	0927774	Kg.Buntut, Pulau, T'loh
4.	Hamilmah binti Zuki	3864817	Kg.Tengah, Temerloh
5.	Salehuddin b. Awang Pekan	3077507	Kg.Raja, Temerloh
6.	Osman bin Bakar	13226421	Kg. Raja,Chenor
7.	Hj.Mat Seh bin Sulaiman	0256478	Kg.Bukit Lada, T'loh
8.	Mohd Akhir bin Manja (Mati)	0249155	

P2  
Agreement  
between  
Government of  
State of Pahang  
and Y.B.Inche  
Sellehudin b  
A.W.Pekan and  
29 others

10th November  
1973

(continued)

10

EXHIBITS

Appendix C

P2  
Agreement  
between  
Government of  
State of  
Pahang and  
Y.B.Inche  
Sellehudin b  
A.W.Pekan and  
29 others

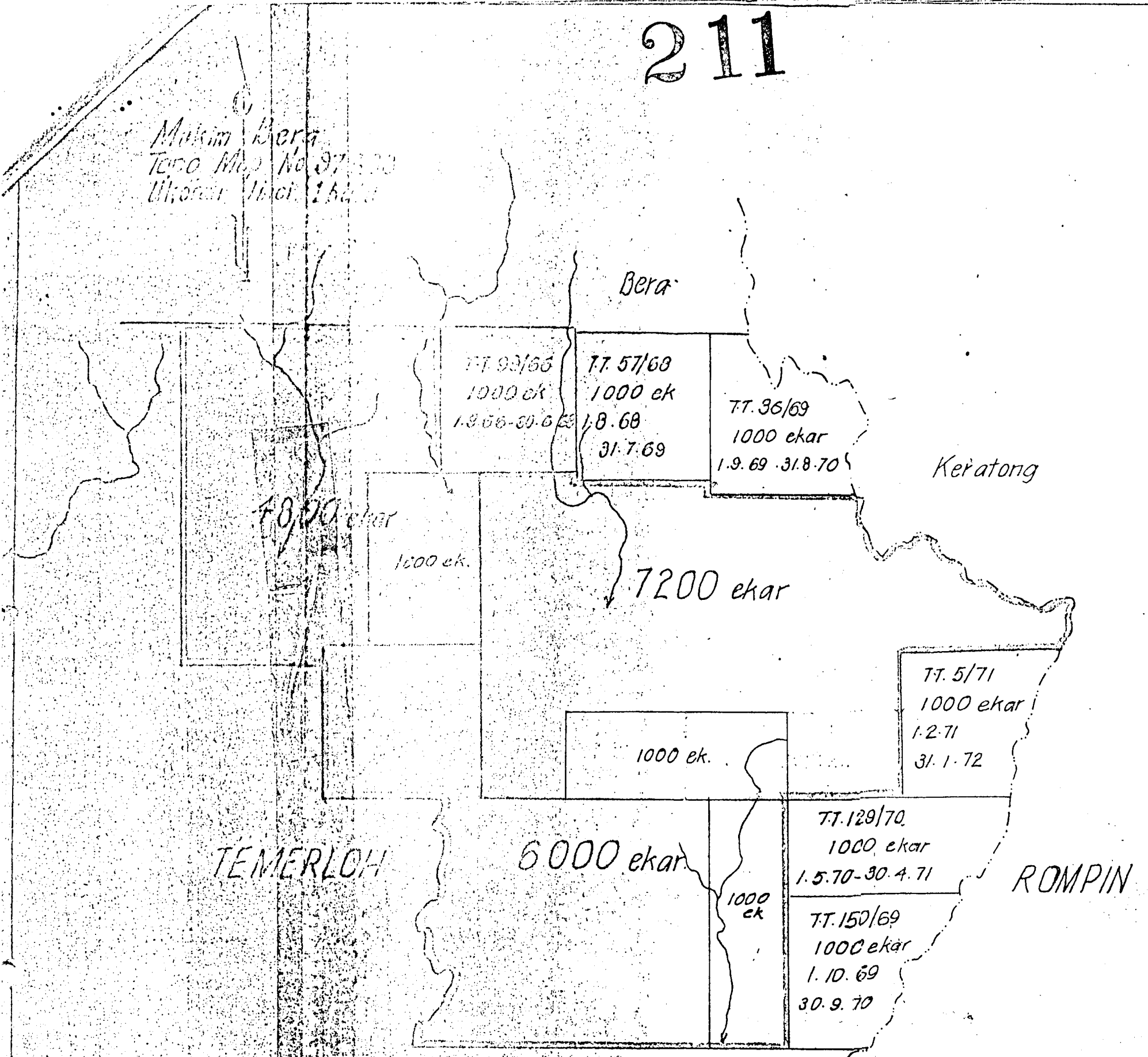
10th November  
1973  
(continued)

Syarikat Sastiva Bharu Sdn.Bhd.

<u>Bil</u>	<u>Nama</u>	<u>Kad Pengenalan</u>	<u>Alamat</u>	
1.	Mansor bin Shah Pari	3076859	Kg.Kuala Gali, Dong Raub	
2.	Sharif bin Keria	2032107	Kg.Kuala Gali, Dong Raub	
3.	Ahmad b. Hj.Mohd Tahar	2031417	Kg.Durian Sebatang,Gali, Raub	10
4.	Osman bin Buntai	2031458	Kg.Durian Sebatang, Gali, Raub	
5.	Ahmad bin Kassim	1324821	Kg.Jeragan, Lanchang, Temerloh	
6.	Gani bin Katan	3073669	Kg.Bolok,Ulu Lanchang Temerloh	20
7.	Taib bin Osman	1323482	Kg.Bolok Lanchang, Temerloh	
8.	Syd.Baharom b.Syd. Ahamd	1322517	Kg.Rantau Panjang, Lanchang, Temerloh	
9.	Aminah binti Zubir	3573870	A-9 Bangunan LKNP Jln.Sg. Rabit, T'loh	30
10.	T.Muda Hj Awang b. Hj. Hassan	0928530	Kg.Durian Tawar Mengkarak, Temerloh	
11.	Rawi bin Leman (Mati)			
12.	Omar bin Hj.Sulaiman (Mati)			



Maksim Bera  
Toko Mada No 97/30  
Ulu Pandan 18/11/71

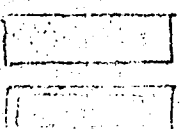


TEMERLOH

7200 ekar

6000 ekar

ROMPIN



Kawasan Perjarjian Lama  
 Kawasan Perjarjian (Kawasan belum kerja 18,000 ekar)

... yang  
 ...  
 ... 11. Sun. 1974 ...  
 ... (146)

Di Bera  
 ...

*[Signature]*  
 MENTERI DESAR  
 ...

*[Signature]*  
 ...

EXHIBITS

P3

Agreement  
between  
Government of  
State of  
Pahang and  
Syarikat  
Bertapak  
Sendirian Bhd.  
27th May 1974

EXHIBITS

P3

AGREEMENT BETWEEN GOVERNMENT  
OF STATE OF PAHANG AND  
SYARIKAT BERTAPAK SENDIRIAN  
BHD.

AGREEMENT FOR THE EXTRACTION OF  
FOREST PRODUCE FROM STATE LAND  
FOREST

AN AGREEMENT made the.....  
day of 27th day of May in the Year One thousand  
nine hundred and seventy four (1974) between the  
Government of the State of Pahang (hereinafter  
called the State Government) and Syarikat  
Bertapak Sendirian Berhad, Chartered Bank  
Chambers, 1st Floor, Room 'F', Jalan Wall,  
Kuantan, Pahang (hereinafter called the Company)  
of the other part

10

WHEREAS the State Government has entered  
into an agreement on (Illegible) day of  
(Illegible) 19 (Illegible) with Y.B.Incik  
Sellehudin, b.Aw.Pekan, S.Baharon b.S.Ahmad, Mat  
Seh bin Sulaiman, Halimah binti Zuki, Mohd.Tahar  
b.Tus, Mohd Arshad bin Hassan, Mohamed Rashid  
bin Hussin, Awang bin Hamid, Wan Abdul Talib,  
b.Ungku Ngah, Wan Tahir bin Wan Mohamed, Aminah  
binti Zubir, Rawi bin Lemn, Omar bin Haji  
Sulaiman, Gani bin Katan, Mohd.Akhir bin Manja,  
Osman bin Buntal, Sharif bin Keria, Ahmad bin  
Haji Mohd.Tahar, Suhaimi bin Mohd.Salleh, Wahab  
bin Mat.Aris, Ismail bin Md.Sidek, Osman bin  
Bakar, Taib bin Othman, Harun bin Abdullah,  
Mansor bin Shah Pari, YM.Engku Abdul Jamal b.  
Engku Muda Mansor, Ahmad bin Kassim, Salleh bin  
Abdullah, Mohd. Sanusi b.Hj.Ab.Latiff, and To'  
Muda Haji Awang bin Haji Hassan (hereinafter  
called the old agreement for the purpose of  
this agreement) whereby the State Government  
agreed to enter into an agreement with Syarikat  
Bertapak Sendirian Berhad, Chartered Bank  
Chambers, 1st Floor, Room 'F', Jalan Wall,  
Kuantan, Pahang in pursuance of Clause 2 of the  
old Agreement.

20

30

40

Agreement to  
permit  
Licensee to  
work an area  
of forest

2. Now this Agreement witnesseth as follows:

(1) The State Government shall permit the  
Company to work an area of State Land Forest of  
4,800 (Four thousand eight hundred) acres in  
Mukim Bera in the Forest District of Temerloh

as shown in the plans annexed hereto and marked red (hereinafter called the Agreement Area) for the purpose of felling and logging timber therein and removing timber therefrom. Such timber expected to be felled, logged and removed shall be of ALL tree species as adjudged the reasonably straight and sound by the District Forest Officer, Temerloh and subject to a minimum girth of 4'6" (four feet and six inches) measured at breast height or above buttresses. The following tree species may be exempted from felling:

EXHIBITS  
 P3  
 Agreement between Government of State of Pahang and Syarikat Bertapak Sendirian Bhd  
 27th May 1974  
 (continued)

10

20

Berangan	Mempening	Rengas
Kembang Semangkok	Meraga	Tulang Daing
Kedondong Daun Kecil	Pauh Kijang	Terap
Kabu2 Hutan	Perah	and other species as
Jelawai	Pulai	the State Forest
Kelat Daun Besar	Petai (Kerayong)	Officer may determine
Kelat Samak	Pelong	from time to time
Ludai	Punah	
	Setumpul	

30

(2) The Company shall commence felling and extracting timber within a period of six months from the date of this Agreement. If thereafter without any reasonable cause the said company stops such operations for a continuous period of more than 3 (three) months or fails to commence, then the State Government shall hold the right to terminate this Agreement.

40

3. The area of forest within the Agreement Area which shall be opened annually by the State Government for exploitation by the Company shall not be more than 1,000 (One thousand) acres of forest for 1974 and 1975, and not more than 500 (five hundred) acres of forest thereafter subject to the approval by the State Forest Officer, Pahang and annual succession of such acreage in the Agreement Area may be opened on application by the Licensee

EXHIBITS

P3  
Agreement  
between  
Government of  
State of  
Pahang and  
Syarikat  
Bertapak  
Sendirian Bhd.  
27th May 1974  
(continued)

Side note 4. (1) All Operations in the Agreement (illegible) Area shall be under the general supervision of and control by the State Forest Officer, Pahang, by the issue of a succession of licences under Form I (T.27) and/or Permit (F.73) in accordance with the Forest Rules 1935.

(2) The Company shall not fell timber within or remove timber from the Agreement Area except in or from the area held under a Licence in Form I (F.27) and/or Permit (F.73). (hereinafter called the Licence/Permit Area) issued by the State Forest Officer, Pahang.

10

Payment of royalties 5. (1) The Company shall pay the State Government royalty on all timber removed from the Licence/Permit Area at the rates in force as published in the State of Pahang Government Gazette from time to time. The amount of royalties due shall be paid in advance before the timber is removed beyond the Checking Station concerned as specified in the Licence/Permit issued under Clause 3 of this Agreement.

20

(2) The Licensee shall, in addition, pay the State Government similar rates of royalty on all remaining standing trees of the species required to be felled, cut and removed under Clause 1 (1) of this Agreement which have not been felled, cut and removed or parts of timber felled but not removed by the Licensee at the time of termination of each Licence/Permit. The manner of assessing such royalty shall be determined by the State Forest Officer, Pahang

30

Additional premium to be paid 6. The Licensee shall pay in addition to royalties a premium in respect of each and every Licence/Permit Area issued under Clause 3 of this Agreement. The premium for the first Licence/Permit issued under this Agreement shall be calculated at the rate of \$50.00 (Dollars: Fifty only) per acre per annum. Thereafter the Licensee shall pay the premium for each and subsequent Licence/Permit at such rate as may be fixed by the Government from time to time.

40

Felling 7. The Licensee shall prepare and plans maintain extraction plans covering two years of prospective work on the basis of a felling plan prepared by the State Forest Officer, Pahang.

10 Side note (illegible) 8. The State Government shall have the right to dispose of any surplus timber not felled and/or felled but not removed by the Licensee within the Agreement Area and all other timber that is left behind after the termination of each Licence/Permit issued and the Licensee shall have no claim to compensation for the use of roads built by the Licensee and used by either the buyers to whom such surplus timber may be sold or removed by the State Government.

20 Opera- tion of a Saw- mill 9. No Sawmill shall be erected by the Licensee except under a licence issued by the State Forest Officer, Pahang who may impose conditions conformable to law.

30 Road constr- uction and mainte- nance 10. (1) The Licensee shall construct main timber extraction roads into and within the Agreement Area according to routes and specifications approved by the State Forest Officer, Pahang and shall maintain the whole stretch of such roads, including river and stream crossings, to a standard to be usable in all weather conditions and capable of allowing a fully loaded five-ton lorry to travel at an average speed of ten miles per hour.

40 (2) All roads constructed by the Licensee under the terms of this Agreement shall become the property of the State Government and shall not be obstructed in any way. No bridges, culverts or any parts of the road formations shall be removed without approval in writing by the State Forest Officer, Pahang.

(3) Subject to the approval of the District Forest Officer, Kemerloh in each case, payment of royalty payable on timber used in the construction of bridges and culverts along the said roads may be waived.

EXHIBITS

P3  
Agreement  
between  
Government of  
State of  
Pahang and  
Syarikat  
Bertapak  
Sendirian Bhd.  
27th May 1974

(continued)

EXHIBITS

p3  
Agreement  
between  
Government of  
State of  
Pahang and  
Syarikat  
Bertapak  
Sendirian Bhd.  
27th May 1974  
(continued)

- Other author- 11. The State Government reserves the right to authorise other timber licensees or any other persons to use any road constructed by the Licensee under the terms of this Agreement, but in such circumstances the liability for maintenance of the road shall be shared in proportion to the estimated use of the road by each authorised user as decided by the State Forest Officer, Pahang. 10
- Side note (illegible) 12. The State Government reserves the right to take over the maintenance of any road or section of road constructed by the Licensee at any time during the period of this Agreement, and in such an event the Licensee shall comply with any written law relating to the use of the road and shall be responsible for obtaining the necessary permission from the authority concerned for such use. 20
- Persons employ- 13. All persons employed by the Licensee within the Agreement Area shall be ed Citizens of Malaysia and at least 75% of whom shall be the subjects of His Royal Highness the Sultan of Pahang; provided that 50% of the skill workers shall be of the Malay race.
- Dura - 14. Subject to the conditions set out tion of herein, this Agreement shall remain in Agree- force for a period of not more than 7 ment (seven) years commencing from the date of the Licence/Permit Area issued under this Agreement. 30
- Trans- 15. The Licensee shall not assign, fer of lease, sub-let, sub-contract, or transfer rights or otherwise dispose of the whole or any part of his rights under this Agreement without prior written consent of the Menteri Besar of Pahang.
- Secur- 16. The Licensee shall maintain in ity deposit the sum of \$10,000 (Dollars Ten thousand only) and such further sum of money as the State Forest Officer, Pahang, may require; and on default being made in the payment at the prescribed time of any monies due as royalty or otherwise in respect of such licence, the State Forest Officer, Pahang, may withdraw from the sum deposited as aforesaid and credit to forest revenue 40 50

the sum so due, and may order the Licensee to re-deposit an equivalent sum within a period of not less than 5 (five) days from receipt of such order and in the event of failure of the Licensee to comply with such order may cancel the licence.

EXHIBITS

P3  
Agreement  
between  
Government of  
State of  
Pahang and  
Syarikat  
Bertapak  
Sendirian Bhd

27th May 1974

(continued)

10 Side note (illegible) 17. The Licensee shall notify the State Forest Officer, Pahang of an address whereat notices and instructions under this Agreement may be served upon the Licensee or his representative. In the event of the Licensee failing to notify the State Forest Officer, Pahang, of such an address, notices or instructions shall be deemed to have been duly served upon the Licensee if sent by registered post to the address stated in this Agreement.

20 Calculation of royalty 18. The measurements of the timber felled within and/or removed from the Agreement Area for the purpose of royalty collection shall be determined in accordance with established practice by the State Forest Department, Pahang.

30 Meaning of Licensee 19. That in this Agreement, unless the context otherwise requires the term "Licensee" includes the heirs, administrators, executors or successors in office, title or assigns.

40 Determination of contract 20. This Agreement may be suspended or cancelled at any time by the State Forest Officer, Pahang, for breach of any of its conditions or for any default by Company in the payment of any money in respect of premium, royalty or deposit within the prescribed time as stated in this Agreement or as required by the State Forest Officer, Pahang, and in the event of such suspension or cancellation the Company shall have no claim to the return wholly or partly of any money paid to or deposited with the State Government at the State Forest Office, Pahang, nor to any damages on account of such cancellation.

IN WITNESS WHEREOF the said parties have hereunto set their hands and seals the day and year first above written:

EXHIBITS

P3  
Agreement  
between  
Government of  
State of  
Pahang and  
Syarikat  
Bertapak  
Sendirian Bhd.  
27th May 1974  
(continued)

Signed for and on behalf  
of the Government of the  
State of Pahang by :

Sd: (Illegible)  
MENTERI BESAR  
PAHANG

In the presence of witnesses:

1) Sd: Illegible

AHMAD MOKHTAR BIN AKOB  
(Full Name)

SETIA USAHA  
KEPADA MENTERI BESAR PAHANG  
(Address or Title)

10

2) Sd: Illegible

Mohd Kazali bin Abdul Wahab  
(Full Name)

Pembantu Khas,  
Kepada Menteri Besar, Pahang  
(Address or Title)

(SEAL)

Syarikat Bertapak Sendirian  
Berhad, Chartered Bank  
Chambers, 1st Floor, Room  
'F' Jalan Wall, Kuantan,  
Pahang.

Sd: Illegible

20

Sd: Illegible

In the presence of witnesses:

1) Sd: A.W.Au

(AU AH WAH)  
(Full Name)

(SEAL)

Advocate & Solicitor  
Chartered Bank Bldg., Kuantan  
(Address or Title)

30

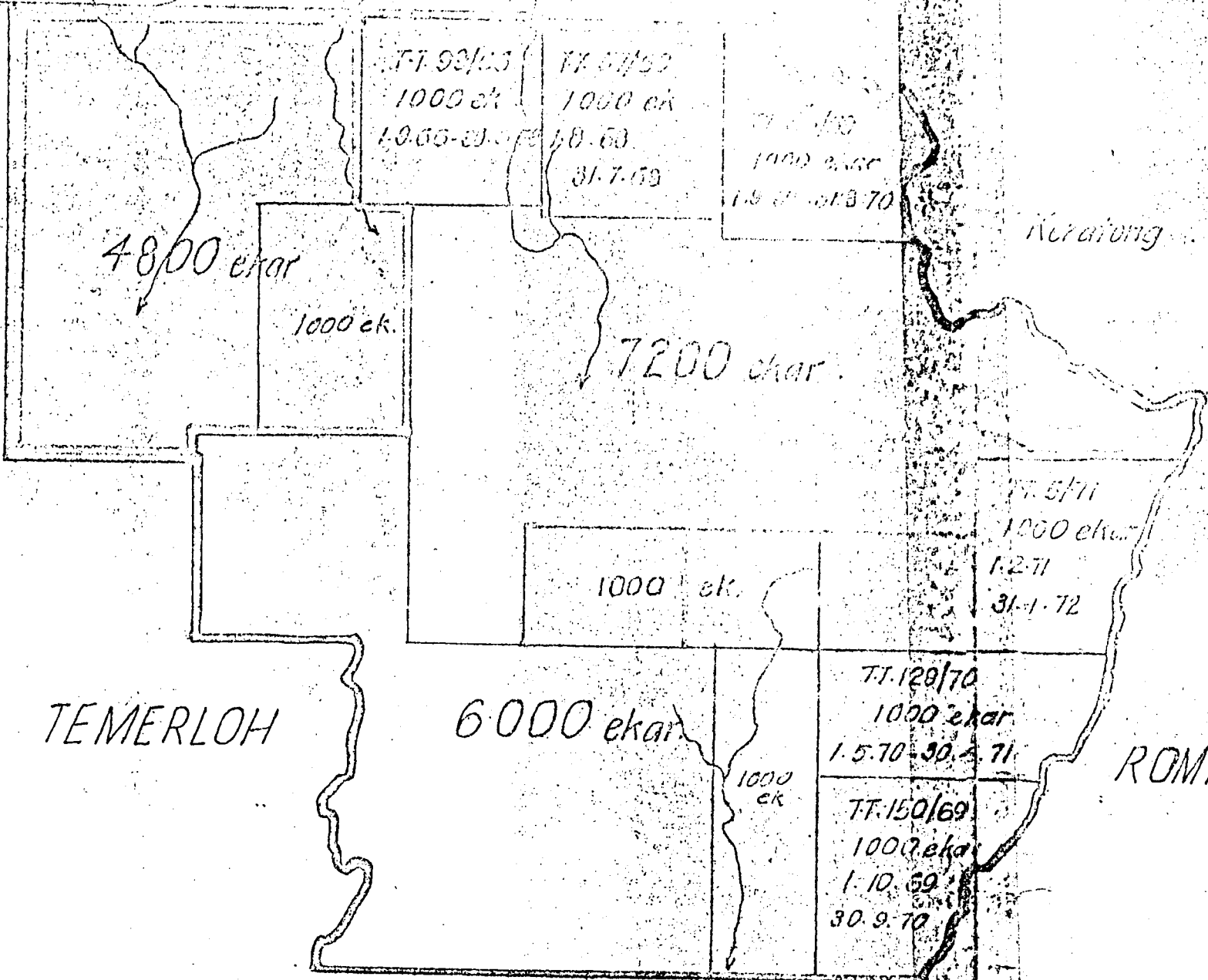
2) Sd: Illegible

(Full Name)

Pegawal Kerja  
Pejabat (Illegible) Negeri, Pahang  
(Address or Title)



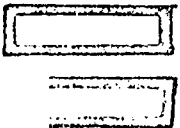
Mekah Darul  
Topo Map No 97383  
Kawasan lama 1600



TEMERLOH

Keraton

ROMPIN



Kawasan Perjanjian lama  
Kawasan Perjanjian

Ini ialah... Pelan... yang  
di-royokkan dalam... yang  
bertujuan... K. G. 1/4... 102/62 Bhs (145)

Sedia Oleh  
31. 5. 74

*[Signature]*  
MENTERI BESAR  
PAHANG

EXHIBITS

P4

Agreement  
between  
Government of  
State of  
Pahang and  
Syarikat Hayati  
Sendirian Bhd.  
27th May 1974

EXHIBITS

P4

AGREEMENT BETWEEN GOVERNMENT  
OF STATE OF PAHANG AND  
SYARIKAT HAYATI SENDIRIAN  
BERHAD

AGREEMENT FOR THE EXTRACTION OF  
FOREST PRODUCE FROM STATE LAND  
FOREST

AN AGREEMENT made the.. ..... 10  
day of 27th day of May in the Year One  
thousand nine hundred and seventy four  
(1974) between the Government of the  
State of Pahang (hereinafter called the  
State Government) and Syarikat Hayati  
Sendirian Berhad, 1st Floor, Room 'F'  
Chartered Bank Chambers, Jalan Wall,  
Kuantan, Pahang (hereinafter called the  
Company) of the other part

WHEREAS the State Government has 20  
entered into an agreement on 1st day of  
October 1966 with Y.B.Incik Sellehudin,  
b.Aw.Pekan, S.Baharon b.S.Ahmad, Mat Seh bin  
Sulaiman, Haliman binti Zuki, Mohd.Tahar  
b.Tus, Mohd Arshad bin Hassan, Mohamed  
Rashid bin Hussin, Awang bin Hamid, Wan  
Abdul Talib, b.Ungku Ngah, Wan Tahir bin  
Wan Mohamed, Aminah binti Zubir, Rawi bin  
Lemin, Omar bin Haji Sulaiman, Gani bin  
Katan, Mohd. Akhir bin Manja, Osman bin 30  
Buntal, Sharif bin Keria, Ahmad bin Haji  
Mohd. Tahar, Suhaimi bin Mohd. Salleh,  
Wahab bin Mat.Aris, Ismail bin Md.Sidek,  
Osman bin Bakar, Taib bin Othman, Harun  
bin Abdullah, Mansor bin Shah Pari, YM.  
Engku Abdul Jamal b. Engku Muda Mansor,  
Ahmad bin Kassim, Salleh bin Abdullah,  
Mohd. Sanusi b.Hj.Ab.Latiff, and To'  
Muda Haji Awang bin Haji Hassan (hereinafter 40  
called the old agreement for the purpose  
of this agreement) whereby the State  
Government agreed to enter into an agree-  
ment with Syarikat Hayati Sendirian  
Berhad, 1st Floor, Room 'F', Chartered  
Bank Chambers, Jalan Wall, Kuantan, Pahang  
in pursuance of Clause 2 of the old  
agreement.

Agree- 2. Now this Agreement witnesseth as  
ment to follows:  
permit  
Licensee  
to work  
an area  
of forest



EXHIBITS

P4  
Agreement  
between  
Government of  
State of  
Pahang and  
Syarikat  
Sendirian Bhd.  
27th May 1974  
(continued)

	succession of such acreage in the Agreement Area may be opened on application by the Licensee.	
Supervision and control by State Forest Officer Pahang	4. (1) All operations in the Agreement Area shall be under the general supervision of and control by the State Forest Officer, Pahang, by the issue of a succession of licences under Form I (F.27) and/or Permit (F.73) in accordance with the Forest Rules 1935.  (2) The company shall not fell timber within or remove timber from the Agreement Area except in or from the area held under a Licence in Form I (F.27) and/or Permit (F.73) (hereinafter called the Licence/Permit Area) issued by the State Forest Officer, Pahang.	10
Payment of royalties	5. (1) The Company shall pay the State Government royalty on all timber removed from the Licence/Permit Area at the rates in force as published in the State of Pahang Government Gazette from time to time. The amount of royalties due shall be paid in advance before the timber is removed beyond the Checking Station concerned as specified in the Licence/Permit issued under Clause 3 of this Agreement.  (2) The Licensee shall, in addition, pay the State Government similar rates of royalty on all remaining standing trees of the species required to be felled, cut and removed under Clause 1 (1) of this Agreement which have not been felled, cut and removed or parts of timber felled but not removed by the Licensee at the time of termination of each Licence/Permit. The manner of assessing such royalty shall be determined by the State Forest Officer, Pahang.	20  30
Additional premium to be paid	6. The Licensee shall pay in addition to royalties a premium in respect of each and every Licence/Permit Area issued under Clause 3 of this Agreement. The premium for the first Licence/Permit issued under this Agreement shall be calculated at the rate of \$50.00 (Dollars: Fifty only) per acre per annum. Thereafter the Licensee shall pay the premium for each and subsequent Licence/Permit at such rate as may be fixed by the	40  50

Government from time to time.

EXHIBITS

P4

Agreement  
between  
Government of  
State of  
Pahang and  
Syarikat Hayati  
Sendirian Bhd.

27th May 1974

(continued)

- Felling plans 7. The Licensee shall prepare and maintain extraction plans covering two years of prospective work on the basis of a felling plan prepared by the State Forest Officer, Pahang.
- Side note (illegible) 8. The State Government shall have the right to dispose of any surplus timber not felled and/or felled but not removed by the Licensee within the Agreement Area and all other timber that is left behind after the termination of each Licence/Permit issued and the Licensee shall have no claim to compensation for the use of roads built by the Licensee and used by either the buyers to whom such surplus timber may be sold or removed by the State Government.
- 10
- Opera- tion of a Saw- mill 9. No Sawmill shall be erected by the Licensee except under a licence issued by the State Forest Officer, Pahang who may impose conditions conformable to law.
- 20
- Road constr- uction and mainte- nance 10. (1) The Licensee shall construct main timber extraction roads into and within the Agreement Area according to routes and specifications approved by the State Forest Officer, Pahang and shall maintain the whole stretch of such roads, including river and stream crossings, to a standard to be usable in all weather conditions and capable of allowing a fully loaded five-ton lorry to travel at an average speed of ten miles per hour.
- 30
- (2) All roads constructed by the Licensee under the terms of this Agreement shall become the property of the State Government and shall not be obstructed in any way. No bridges, culverts or any parts of the road formations shall be removed without approval in writing by the State Forest Officer, Pahang.
- 40
- (3) Subject to the approval of the District Forest Officer, Kemerloh in each case, payment of royalty payable on timber used in the construction of bridges and culverts along the said roads may be waived.



due, and may order the Licensee to re-deposit an equivalent sum within a period of not less than 5 (five) days from receipt of such order and in the event of failure of the Licensee to comply with such order may cancel the licence.

EXHIBITS

P4  
Agreement  
between  
Government of  
State of  
Pahang and  
Syarikat Hayat  
Sendirian Bhd.

27th May 1974

(continued)

Side  
note  
10 (illegible)

17. The Licensee shall notify the State Forest Officer, Pahang of an address whereat notices and instructions under this Agreement may be served upon the Licensee or his representative. In the event of the Licensee failing to notify the State Forest Officer, Pahang, of such an address, notices or instructions shall be deemed to have been duly served upon the Licensee if sent by registered post to the address stated in this Agreement.

20  
Calcu-  
lation  
of  
royalty

18. The measurements of the timber felled within and/or removed from the Agreement Area for the purpose of royalty collection shall be determined in accordance with established practice by the State Forest Department, Pahang.

Meaning  
of  
Licen-  
see  
30

19. That in this Agreement, unless the context otherwise requires the term "Licensee" includes the heirs, administrators, executors or successors in office, title or assigns.

Deter-  
mina-  
tion of  
contract  
40

20. This Agreement may be suspended or cancelled at any time by the State Forest Officer, Pahang, for breach of any of its conditions or for any default by the Company in the payment of any money in respect of premium, royalty or deposit within the prescribed time as stated in this Agreement or as required by the State Forest Officer, Pahang, and in the event of such suspension or cancellation the Company shall have no claim to the return wholly or partly or any money paid to or deposited with the State Government at the State Forest Office, Pahang, nor to any damages on account of such cancellation.

IN WITNESS WHEREOF the said parties have hereunto set their hands and seals the day and year first above written:

EXHIBITS

P4  
Agreement  
between  
Government of  
State of  
Pahang and  
Syarikat  
Hayati  
Sendirian Bhd.  
27th May 1974  
(continued)

Signed for and on behalf  
of the Government of the  
State of Pahang by:

Sd: (Illegible)  
MENTERI BESAR  
PAHANG

In the presence of witnesses:

1) Sd: Illegible  
AHMAD MOKHTAR BIN AKOB  
(Full Name)  
  
SETIA USAHA  
KEPADA MENTERI BESAR PAHANG  
(Address or Title)

10

2) Sd: Illegible  
Mohd Razali bin Abdul Wahab  
(Full Name)  
  
Pembantu Khas,  
Kepada Menteri Besar, Pahang  
(Address or Title)

Syarikat Hayati Sendirian  
Berhad, 1st Floor, Room Sd: Illegible  
'F' Chartered Bank Chambers Sd: Illegible  
Jalan Wall Kuantan, Pahang

20

(SEAL)

In the presence of witnesses:

1) Sd: A.W.Au  
(AU AH WAH)  
(Full Name)  
  
Advocate & Solicitor (SEAL)  
Chartered Bank Bldg., Kuantan  
(Address or Title)

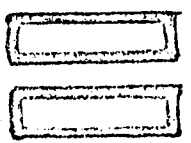
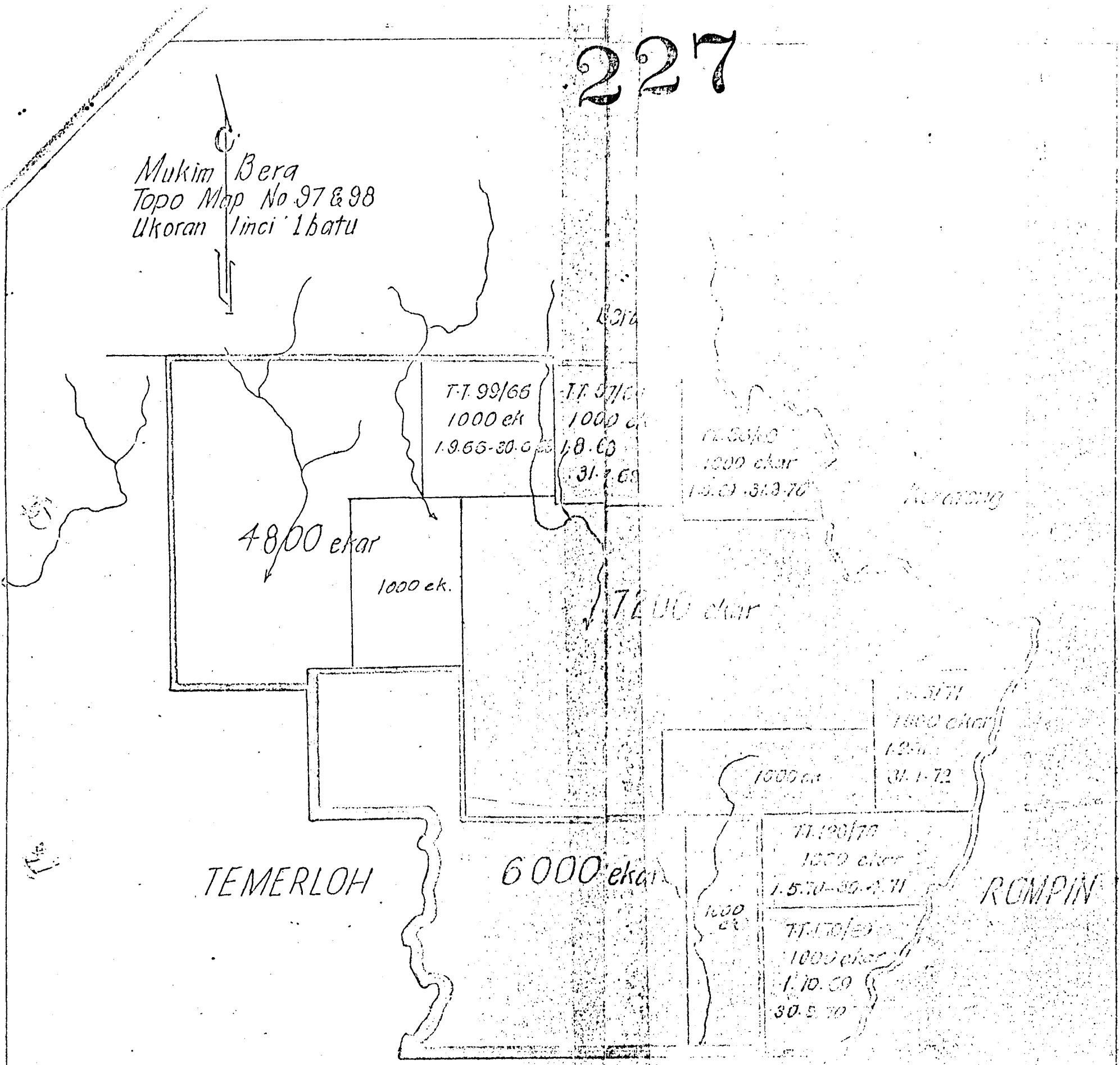
30

2) Sd: Illegible  
(Full Name)  
  
Pegewal Kerja  
Pejabat (Illegible) Negeri, Pahang  
(Address or Title)



227

Mukim Bera  
Topo Map No 97 & 98  
Ukuran linci 1 batu



Kawasan Perjanjian lama  
Kawasan Perjanjian

Di Sedia Oleh  
31. 5. 74.

MENTERI PESAKA  
RUMAH

EXHIBITS

P5

Agreement  
between  
Government of  
State of  
Pahang and  
Syarikat  
Sastiva Bharu  
Sendirian Bhd.  
27th May 1974

EXHIBITS

P5

AGREEMENT BETWEEN GOVERNMENT  
OF STATE OF PAHANG AND  
SYARIKAT SASTIVA BHARU  
SENDIRIAN BERHAD

AGREEMENT FOR THE EXTRACTION OF  
FOREST PRODUCE FROM STATE LAND  
FOREST

AN AGREEMENT made the..... 10  
day of 27th day of May in the Year One  
thousand nine hundred and seventy four  
(1974) between the Government of the  
State of Pahang (hereinafter called the  
State Government) and Syarikat Sastiva  
Bhari Sendirian Berhad, No. 116, Jalan  
Telok Sisek, Kuantan, Pahang (herein-  
after called the Company) of the other  
part

WHEREAS the State Government has 20  
entered into an agreement on 1st day of  
October 1966 with Y.B.Incik Sellehudin,  
b.Aw.Pekan, S.Baharon b.S.Ahmad, Mat Seh bin  
Sulaiman, Haliman binti Zuki, Mohd, Tahar  
b.Tus, Mohd Arshad bin Hassan, Mohamed  
Rashid bin Hussin, Awang bin Hamid, Wan  
Abdul Talib, b.Ungku Ngah, Wan Tahir bin  
Wan Mohamed, Aminah binti Zubir, Rawi bin  
Lemin, Omar bin Haji Sulaiman, Gani bin  
Katan, Mohd. Akhir bin Manja, Osman bin 30  
Buntal, Sharif bin Keria, Ahmad bin Haji  
Mohd. Tahar, Suhaimi bin Mohd. Salleh,  
Wahab bin Mat.Aris, Ismail bin Md.Sidek,  
Osman bin Bakar, Taib bin Othman, Harun  
bin Abdullah, Mansor bin Shah Pari, YM.  
Engku Abdul Jamal b. Engku Muda Mansor,  
Ahmad bin Kassim, Salleh bin Abdullah,  
Mohd. Sanusi b.Hj.Ab.Latiff, and To'

Muda Haji Awang bin Haji Hassan (herein-  
after called the old agreement) whereby the 40  
State Government agreed to enter into an  
agreement with Syarikat Sastiva Bharu  
Sendirian Berhad, No.116, Jalan Telok  
Sisek, Kuantan, Pahang in pursuance of  
Clause 2 of the old agreement.

Agree- 2. Now this Agreement witnesseth as  
ment to follows :  
permit  
Licensee  
to work  
an area  
of forest

(1) The State Government shall permit the Company to work an area of State Land Forest of 7,200 (Seven thousand two hundred) acres in Mukim Bera in the Forest District of Temerloh as shown in the plans annexed hereto and marked red (hereinafter called the Agreement Area) for the purpose of felling and logging timber therein and removing timber therefrom. Such timber expected to be felled, logged and removed shall be of ALL tree species as adjudged the reasonably straight and sound by the District Forest Officer, Temerloh and subject to a minimum girth of 4'6" (four feet and six inches) measured at breast height or above buttresses. The following tree species may be exempted from felling:

EXHIBITS  
P5  
Agreement between Government of State of Pahang and Syarikat Sastiva Bharu Sendirian Bhd.  
27th May 1974  
(continued)

10

20

Berangan	Mempening	Rengas
Kembang Semangkok	Meraga	Tulang Daing
Kedondong Daun Kecil	Pauh Kijang	Terap and other
Kabu2 Hutan	Perah	species as the
Jelawai	Pulai	State Forest
Kelat Daun Besar	Petai	Officer may
	(Kerayong)	determine
Kelat Samak	Pelong	from time to
Ludai	Punah	time
	Setumpul	

30

(2) The Company shall commence felling and extracting timber with a period of six months from the date of this Agreement. If thereafter without any reasonable cause the said company stops such operations for a continuous period of more than 3 (three) months or fails to commence, then the State Government shall hold the right to terminate this Agreement.

40

(3) For the purposes of this Agreement the Area of Agreement Area shall be 7,200 (Sevent housand two hundred) acres.

Guaran- 3. The area of forest within the Agree-  
teed ment Area which shall be opened annually  
Annual by the State Government for exploitation  
acre- by the Company shall not be more than  
age of 1,000 (One thousand) acres of forest for  
forest 1974 and 1975, and not more than 500  
50 (five hundred) acres of forest thereafter  
subject to the approval by the State  
Forest Officer, Pahang and annual

EXHIBITS

P5  
Agreement  
between  
Government of  
State of  
Pahang and  
Syarikat  
Sastiva Bharu  
Sendirian Bhd.  
27th May 1974  
(continued)

succession of such acreage in the Agreement Area may be opened on application by the Licensee.

Supervision and control by State Forest Officer Pahang 4. (1) All operations in the Agreement Area shall be under the general supervision of and control by the State Forest Officer, Pahang, by the issue of a succession of licences under Form I (F.27) and/or Permit (F.73) in accordance with the Forest Rules 1935. 10

(2) The company shall not fell timber within or remove timber from the Agreement Area except in or from the area held under a Licence in Form I (F.27) and/or Permit (F.73) (hereinafter called the Licence/Permit Area) issued by the State Forest Officer, Pahang.

Payment of royalties 5. (1) The Company shall pay the State Government royalty on all timber removed from the Licence/Permit Area at the rates in force as published in the State of Pahang Government Gazette from time to time. The amount of royalties due shall be paid in advance before the timber is removed beyond the Checking Station concerned as specified in the Licence/Permit issued under Clause 3 of this Agreement. 20

(2) The Licensee shall, in addition, pay the State Government similar rates of royalty on all remaining standing trees of the species required to be felled, cut and removed under Clause 1 (1) of this Agreement which have not been felled, cut and removed or parts of timber felled but not removed by the Licensee at the time of termination of each Licence/Permit. The manner of assessing such royalty shall be determined by the State Forest Officer, Pahang. 30 40

Additional premium to be paid 6. The Licensee shall pay in addition to royalties a premium in respect of each and every Licence/Permit Area issued under Clause 3 of this Agreement. The premium for the first Licence/Permit issued under this Agreement shall be calculated at the rate of \$50.00 (Dollars: Fifty only) per acre per annum. Thereafter 50

the Licensee shall pay the premium for each and subsequent Licence/Permit at such rate as may be fixed by the Government from time to time.

EXHIBITS

P5  
Agreement between Government of State of Pahang and Syarikat Sastiva Bharu Sendirian Bhd.

27th May 1974

(continued)

Felling plans 7. The Licensee shall prepare and maintain extraction plans covering two years of prospective work on the basis of a felling plan prepared by the State Forest Officer, Pahang.

10 Side note (illegible) 8. The State Government shall have the right to dispose of any surplus timber not felled and/or felled but not removed by the Licensee within the Agreement Area and all other timber that is left behind after the termination of each Licence/Permit issued and the Licensee shall have no claim to compensation for the use of roads built by the Licensee and used by either the buyers to whom such surplus timber may be sold or removed by the State Government

20

Operation of a Sawmill 9. No Sawmill shall be erected by the Licensee except under a licence issued by the State Forest Officer, Pahang who may impose conditions conformable to law.

Road construction and maintenance 10. (1) The Licensee shall construct main timber extraction roads into and within the Agreement Area according to routes and specifications approved by the State Forest Officer, Pahang and shall maintain the whole stretch of such roads, including river and stream crossings, to a standard to be usable in all weather conditions and capable of allowing a fully loaded five-ton lorry to travel at an average speed of ten miles per hour.

30

(2) All roads constructed by the Licensee under the terms of this Agreement shall become the property of the State Government and shall not be obstructed in any way. No bridges, culverts or any parts of the road formations shall be removed without approval in writing by the State Forest Officer, Pahang.

40

(3) Subject to the approval of the District Forest Officer, Kemerloh in each case, payment of royalty payable on timber

EXHIBITS

P5

Agreement  
between  
Government of  
State of  
Pahang and  
Syarikat  
Sastiva Bharu  
Sendirian Bhd.  
27th May 1974  
(continued)

used in the construction of bridges and  
culverts along the said roads may be  
waived.

Other  
author-  
ised  
users

11. The State Government reserves the  
right to authorise other timber licensees  
or any other persons to use any road  
constructed by the Licensee under the  
terms of this Agreement, but in such  
circumstances the liability for mainte-  
nance of the road shall be shared in  
proportion to the estimated use of the  
road by each authorised user as decided  
by the State Forest Officer, Pahang.

10

Side  
note  
(illegible)

12. The State Government reserves the  
right to take over the maintenance of  
any road or section of road constructed  
by the Licensee at any time during the  
period of this Agreement, and in such  
an event the Licensee shall comply with  
any written law relating to the use of  
the road and shall be responsible for  
obtaining the necessary permission from  
the authority concerned for such use.

20

Persons  
employed

13. All persons employed by the Licensee  
within the Agreement Area shall be  
Citizens of Malaysia and at least 75% of  
whom shall be the subjects of His Royal  
Highness the Sultan of Pahang; provided  
that 50% of the skill workers shall be  
of the Malay race.

30

Duration  
of Agree-  
ment

14. Subject to the conditions set out  
herein, this Agreement shall remain in  
force for a period of not more than 12  
(twelve) years commencing from the date  
of the Licence/Permit Area issued under  
this Agreement.

Transfer  
of rights

15. The Licensee shall not assign, lease,  
sub-let, sub-contract, or transfer or  
otherwise dispose of the whole or any  
part of his rights under this Agreement  
without prior written consent of the  
Menteri Besar of Pahang.

40

Security  
deposit

16. The Licensee shall maintain in  
deposit the sum of \$10,000 (Dollars  
Ten thousand only) and such further sum  
of money as the State Forest Officer,  
Pahang, may require; and on default  
being made in the payment at the pres-  
cribed time of any monies due as royalty

or otherwise in respect of such licence, EXHIBITS

the State Forest Officer, Pahang, may withdraw from the sum deposited as aforesaid and credit to forest revenue the sum so due, and may order the Licensee to re-deposit an equivalent sum within a period of not less than 5 (five) days from receipt of such order and in the event of failure of the Licensee to comply with such order may cancel the licence.

P5  
Agreement  
between  
Government of  
State of  
Pahang and  
Syarikat  
Sastiva Bharu  
Sendirian Bhd.

27th May 1974

(continued)

10

Side note (illegible) 17. The Licensee shall notify the State Forest Officer, Pahang of an address whereat notices and instructions under this Agreement may be served upon the Licensee or his representative. In the event of the Licensee failing to notify the State Forest Officer, Pahang, of such an address, notices or instructions shall be deemed to have been duly served upon the Licensee if sent by registered post to the address stated in this Agreement.

20

Calculation of royalty 18. The measurements of the timber felled within and/or removed from the Agreement Area for the purpose of royalty collection shall be determined in accordance with established practice by the State Forest Department, Pahang.

30

Meaning of Licensee 19. That in this Agreement, unless the context otherwise requires the term "Licensee" includes the heirs, administrators, executors or successors in office, title or assigns.

40

Determination of contract 20. This Agreement may be suspended or cancelled at any time by the State Forest Officer, Pahang, for breach of any of its conditions or for any default by the Company in the payment of any money in respect of premium, royalty or deposit within the prescribed time as stated in this Agreement or as required by the State Forest Officer, Pahang, and in the event of such suspension or cancellation the Company shall have no claim to the return wholly or partly of any money paid to or deposited with the State Government at the State Forest Office, Pahang, nor to any damages on account of such cancellation.

50

EXHIBITS

P5  
Agreement  
between  
Government of  
State of  
Pahang and  
Syarikat  
Sastiva Bharu  
Sendirian Bhd.  
27th May 1974  
(continued)

IN WITNESS WHEREOF the said parties have  
hereunto set their hands and seals the  
day and year first above written :

Signed for and on behalf  
of the Government of the  
State of Pahang by : Sd: (Illegible)  
MENTERI BESAR  
PAHANG

In the presence of witnesses :

- 1) Sd: Illegible 10  
AHMAD MOKHTAR BIN AKOB  
(Full Name)  
SETIA USAHA  
KEPADA MENSERI BESAR PAHANG  
(Address or Title)
- 2) Sd: Illegible  
Mohd Razall bin Abdul Wahab  
(Full Name)  
Pembantu Khas  
Kepada Menteri Besar, Pahang 20  
(Address or Title)

Syarikat Sastiva Bharu (SEAL)  
Sendirian Berhad, No.  
116, Jalan Telok Sisek,  
Kuantan, Pahang. Sd: Illegible  
SYARIKAT SASTIVA BHARU  
SDN. BHD.

In the presence of witnesses:

- 1) Sd: Tan Seng Eng No:0073709 30  
(Full Name)  
34 Jalan Pasgs Labis Johore  
(Address or Title)
- 2) Sd: Illegible  
Abdul Rabim b. (Illegible)  
(Full Name)  
Pegawai Kerja  
Pejabat (Illegible) Negeri, Pahang  
(Address or Title)



235

Mukim Bera  
Topo Map No 87 & 98  
Ukuran Jinci 1 batu

Bera

T.T. 99/66  
1000 ek  
1.9.66-30.6.68

T.T. 57/63  
1000 ek  
1.8.68  
31.7.69

T.T. 36/59  
1000 ek  
1.9.69-31.8.70

Keratong

4800 ekar

1000 ek.

7200 ekar

T.T. 5/71  
1000 ekar  
1.2.71  
31.1.72

TEMERLOH

6000 ekar

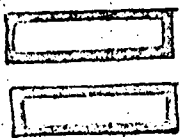
1000 ek

T.T. 129/70  
1000 ekar  
1.5.7-30.4.71

ROMPIN

1000 ek

T.T. 50/69  
1000 ekar  
1.6.69  
31.10.70



Kawasan Perjarjian lama  
Kawasan Perjarjian

Pelan  
130/CC/2 (46)  
11.6.71

Di Sedia Oleh  
31.5.74

MENTERI BESAR  
PAHANG

REGA WATI HUFAN  
SARIANG

EXHIBITS

AB 20

Translation  
of letter  
Nathan and  
Yang to  
Director of  
State Forestry

13th January  
1975

EXHIBITS

AB 20

TRANSLATION OF LETTER  
NATHAN AND YANG TO DIRECTOR  
OF STATE FORESTRY

---

January 13, 75

PKN/CQ/1662/74  
143/1/3 (28)

Director of State Forestry,  
State Forest Office  
Pahang

10

Ref: Licences No. TT 60/74, TT 61/74 and  
TT 62/74

We thank you for your letter dated 19th December  
1974 and your co-operation in the above matter.

We shall be obliged if you would kindly furnish  
us with the following particulars :-

1. To whom were the said licences issued.  
Please state names and address.
2. Who were the contractors who extracted  
timber in the area.

20

Your co-operation will be appreciated.

Yours faithfully,

Sd: Illegible

I hereby certify that the above translation is  
done by me to the best of my knowledge and belief.

Sgd. (Tanir bin Sulaiman)  
Jurubahasa Malaya  
Bersejil  
(Certificated  
Malay  
Interpreter)  
Mahkamah Tinggi  
Johor Bahra

EXHIBITS  
AB 21

TRANSLATION OF LETTER: STATE  
FORESTRY DEPARTMENT TO  
NATHAN AND YANG

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EXHIBITS

AB 21  
Translation  
of letter  
State Forestry  
Department to  
Nathan and Yang  
8th February  
1975

PHN.PHG. 143/1/2/(23)  
Tel.No. Ktn. 21600 Samb.177

Your ref: STATE FOREST DEPARTMENT  
PAHANG

10

Kuantan: 8th February 1975

Messrs. Nathan & Yang  
No.16C (3rd Floor)  
Tan Chan Cheng Building  
Station Road  
Johore Bahru

Dear Sirs,

Licence No. T.T.60/74, T.T. 61/74  
and T.T. 62/74

20

I refer to your letter under reference PKN/CQ/  
1662/74 dated 13th January 1975 in connection  
with the above. The particulars requested by  
you are as follows :-

30

<u>No.</u>	<u>Licence No.</u>	<u>Name of Company</u>	<u>Name of Contractor</u>
1.	T.T.60/74 (KP)	Hayati Co.Ltd. Tengku Ahmad Road, Segamat, Johore.	Choong Lum Yuan No.4 Tengku Ahmad Road, Segamat
2.	T.T.61/74 (KP)	Bertapak Co.Ltd. Chartered Bank 1st Floor, Mahkota Road, Kuantan	Choong Lun Yuan No.4 Tengku Ahmad Road, Segamat  Lim Cheng @ Lim Sa Hup 51 Eastern Garden Segamat  Pang Choon Kong No.4 Tengku Ahmad Road, Segamat
40	3.	T.T.62/74 (KP) Sastiva Baru Co. Ltd. No.121C Ngau Ken Lock Road, New Town, Temerloh	Ten Seng Eng and Chan Lai Huat, No.21 Tahang Rimau Road, Segamat.

EXHIBITS

AB 21  
Translation  
of letter  
State Forestry  
Department to  
Nathan and Yang  
8th February  
1975  
(continued)

Yours faithfully,

Sd: Mohd Darus bin Haji Mahmud KMN  
Director of State Forestry,  
Pahang

(Sgd) (Tanir bin Sulaiman)  
Jurubahasa Malaya  
Bersejil  
(Certificated Malay Interpreter)  
Mahkamah Tinggi  
Johor Bahra

AB 11-12  
Translation  
at page 1 of  
search on  
Syarikat Sastiva  
Bharu Sendirian  
Bhd.

EXHIBITS  
AB 11-12

TRANSLATION AT PAGE 1 OF  
SEARCH ON SYARIKAT SASTIVA  
BHARU SENDIRIAN BHD.

23rd May 1977

Telephone: 203166, 203354, 203572, 203725 10

Our file: Local 16426/30 Registry of Companies  
Your file: UM/MAM/L.417/76 1st Floor  
Bank Negara Building  
Kuala Lumpur

23rd May 1977

Messrs. Jackson & Masacorale  
Room 3F & 3G, 3rd Floor  
Foh Chong Building  
Ibrahim Road  
Johore Bahru

20

Ref: Syarikat Sastiva Bharu Private Limited

With reference to your letter dated 17-5-77, I  
enclose herewith the particulars of the above  
company which are obtained from our file.

- (a) Date of incorporation: 16-11-73
- (b) Registered office: 1st Floor, Wisma Arena,  
364 Jalan Pudu,  
Kuala Lumpur
- (c) Authorised capital: \$100,000/- divided into  
100,000 shares of \$1.00 each. 30
- (d) Paid-up capital 42,000 shares at par value  
of \$1.00 per share

- (e) Paid-up capital paid in cash: \$42,000-00  
(f) Paid-up capital paid other than cash: -  
(g) Name and address of Directors, Manager and Secretaries :-

EXHIBITS  
AB 11-12  
Translation  
at page 1 of  
search on  
Syarikat  
Sastiva Bharu  
Sendirian Bhd.,  
23rd May 1977  
(continued)

Directors:

1. Mansor bin Shah, Kg.Kuala Gali Dong,  
Raub, Pahang
2. Gani bin Katan, Kg.Bolok, Ulu Lanchang,  
Temerloh, Pahang

Manager:

- 10 1. Gani bin Katan, Kg.Bolok, Ulu Lanchang,  
Temerloh, Pahang

Secretary:

1. Sin Sook Kee, 1st Floor, Wisma Arena,  
364 Pudu Road, Kuala Lumpur.

Share-holders: photostat copy forwarded.

Sd: Khoo Beng Chit  
on behalf of Registrar of Companies  
Malaysia

20 I hereby certify that the above translation is  
done by me to the best of my knowledge and  
belief.

(Sgd) (Tanir bin Sulaiman)  
Jurubahasa Malaya  
Bersejil  
(Certificated Malay Interpreter)  
Mahkamah Tinggi  
Johor Bahra

EXHIBITS

AB 11-12

Search on  
Syarikat  
Sastiva Bharu  
Sendirian Bhd.  
23rd May 1977  
(continued)

List of persons holding shares in the SYARIKAT SASTIVA BHARU SENDIRIAN Berhad on the 7th day of June 1976 (being the date of the return or other authorized date) and on account of the shares so held.

NOTE - If the names in this list are not arranged in alphabetical order, an index sufficient to enable the name of any person in the list to be readily found must be annexed to this list.

Folio in Register Ledger Contain- ing Parti- culars	NAMES AND ADDRESSES	*Number of Shares held by Existing Members /	10
1	Mansor b.Shah Pari Kg.Dong. Raub,Pahang	6,000	
2	Gani b. Katan Kg.Bolok, Lanchang, Mentakab, Pahang	6,000	20
3	Sharif bin Keria Kg.Dong, Raub, Pahang	3,000	
4	Ahmad b.Hj.Mohd.Tahar Kg. Dong, Raub, Pahang	3,000	
5	Osman b. Buntai Kg. Dong, Raub, Pahang	3,000	
6	Ahmad b.Kasim Kg. Jeragan Lanchang, Mentakab, Pahang	3,000	30
7	Taib bin Othman Kg. Bolok, Lanchang, Mentakab, Pahang	3,000	
8	Syd.Baharom b.Syed Ahmad Lanchang, Mentakab, Pahang	3,000	
9	Aminah binti Zubir A-9, Bangunan Lembaga, Jln. Sg.Rabit, Temerloh	3,000	
10	T.Muda Hj.Awang b.Haji Hassan Kg. Durian Tawar, Mengkarak, Pahang	3,000	40
11	Zamrut Maimunah bte.Kamaruddin Kg. Pasir Bagan, Dong, Raub, Pahang	3,000	
12	Timah bte.Mat Aji Kg.Dong, Raub, Pahang	3,000	
		<u>42,000</u>	

\* The aggregate number of shares held, and not the distinctive numbers, must be stated, and the column must be added up throughout so as to make one total to agree with that stated in the summary to have been taken up.

EXHIBITS

AB 11-12

10 / When the shares are of different classes these columns may be subdivided so that the number of each class held may be shown separately. Where any shares have been converted into stock particulars of the amount of stock must be shown.

Search on  
Syarikat  
Sastiva Bharu  
Sendirian Bhd.  
23rd May 1977  
(continued)

(Signature) Illegible

(State whether director or manager or secretary)

EXHIBITS  
AB 13-15

TRANSLATION AT PAGE 1 OF  
SEARCH ON SYARIKAT BERTAPAK  
SENDIRIAN BHD.

AB 13-15  
Translation  
at page 1 of  
search on  
Syarikat  
Bertapak  
Sendirian Bhd.  
16th June 1977

20 Telephone: 23589 Registry of Companies,  
2nd Floor,  
Our file: T(JB)1513/17 Bank Negara Malaysia  
Building,  
Johore Bahru.  
16th June, 1977

Messrs. Jackson Masacorale,  
Room 3F & 3G, 3rd Floor,  
Foh Chong Building,  
Johore Bahru

30 Dear Sir,  
Re: Syarikat Bertapak Pte.Ltd.

With reference to your letter dated 2-6-1977, I enclose herewith the particulars of the above company which are obtained from our file.

- (a) Date of incorporation: 17-6-1971
- (b) Registered office: 2nd Floor, Room 10-B2,  
Rasa Sayang Hotel, Dato  
Dalam Road, Johor Bahru

EXHIBITS

AB 13-15  
Translation  
at page 1 of  
search on  
Syarikat  
Bertapak  
Sendirian Bhd.  
16th June 1977  
(continued)

- (c) Authorised capital: \$200,000/- divided into 200,000 shares of \$1-00 each.
- (d) Paid-up capital 90,000 shares at par value of \$1-00 per share
- (e) Paid-up capital paid in cash: \$90,000-00
- (f) Paid-up capital paid other than cash:
- (g) Name and address of Directors, Managers and Secretaries :-

Directors:

Address:

Pang Kok Jan @ Pang Kok Yin	103, Dato Suleiman Road, Johor Bahru	10
Lim Cheng @ Lim Sa Hup	51, Eastern Garden, Segamat, Johor	
Tan Choo Eng @ Tang Choo Ing	50, Jalan Ibrahim, 2nd Floor, Segamat, Johor	
Pang Yoke Meng @ Pang Yew Soong Mdm. Sin	5, Bumiputra Road, Off Stulang Laut Road, Johor Bahru	
Mdm. Sin Hoon Khim	4, Tengku Ahmad Road, Segamat, Johor	20
Tengku Ahmad Ibni Sultan Abdullah	A-517, Panglima Villa, Telok Sisek Road, Kuantan, Pahang	

Secretary

Pang Kuan Loong @ Pang Kaw	5, Bumiputra Road, Off Stulang Laut Road, Johore Bahru
-------------------------------	--

Sd: Choo Yong Chuan  
on behalf of Registrar of  
Companies,  
Malaysia. 30

I hereby certify that the above translation is done by me to the best of my knowledge and belief.

Sgd. (Tanir bin Sulaiman)  
Jurubahasa Malaya  
Bersejil  
(Certificated Malay Interpreter)  
Mahkamah Tinggi  
Johor Bahra



COMPANIES ACT 1965  
MALAYSIA

EXHIBITS  
AB 13-15

LIST OF PERSONS HOLDING SHARES IN SHARIKAT BERTAPAK SDN.BERHAD on the 10th day of August 1976 (being the date of the return or other authorized date) and an account of the shares so held

Search on  
Syarikat  
Bertapak  
Sendirian Bhd.  
16th June 1977  
(continued)

10	Folio in Share Ledger	FULL NAME	ADDRESS	Number of shares held by Existing Members
	22	Au Ah Wah	1st Floor, Room 'F' Chartered Bank Chambers, Jalan Wall, Kuantan	8,000
	22	Mdm.Wong Voon Pian	37, Soon Cheong Garden, Jalan Segamat, Labis, Johore	1,032
	24	Tan Yik Siang	2, Jalan Tengku Ahmad, Segamat, Johore	310
20	24	Awang bin Hamid	Kampung Bongsu, Lanchang, Pahang	1,000
	26	Harun bin Abdullah	Kampung Tan Sri Yahaya, Songsang, Temerloh	1,000
	26	Tan Tock Huck	54, Jalan Sultan, Segamat, Johore	658
	28	Lim Chung Hai	30, Jalan Segamat, Labis, Johore	4,000
	28	Mdm. Tan Choo Eng @ Tan Choo Ing	50, Jalan Ibrahim, 2nd Floor, Segamat	2,839
30	30	Eng Sian Kuang	5, Jalan Seraya, Batu Pahat Garden, Batu Pahat	3,097
	30	Chang Lai Hin	11-A, Lantana Avenue, Singapore 10	6,600
	34	Mdm.Sin Hoon Khim	4, Jalan Tengku Ahmad, Segamat, Johore	14,000
	36	Lim Cheng @ Lim Sa Hup	51, Eastern Garden, Segamat, Johore	2,064
	36	Mdm. Ng Pin Lian	11-A, Lantana Avenue, Singapore 10	6,700

EXHIBITS

AB 13-15	Folio in Share Ledger	FULL NAME	ADDRESS	Number of shares held by Existing Members		
Search on Syarikat Bertapak Sendirian Bhd. 16th June 1977 (continued)	38	Pang Loke Moi	103, Jalan Dato Suleiman, Johore Bahru	6,000		
	40	Pang Mur @ Pang Yeh Mei	-do-	6,000		
	40	Tan Jeak Buay	2, Jalan Suka, Singapore 14	6,700	10	
	42	Pang Kuan Ying	5, Jalan Bumiputra, Johore Bahru	1,600		
	42	Pang Yen	-do-	1,600		
	44	Pang Yoke Meng @ Pang Yew Soong	-do-	1,600		
	44	Pang Kuan Loong	-do-	1,600		
	46	Pang Nyok Ying	-do-	1,600		
	46	Pang Kuan Poh	-do-	1,600		
	48	Pang Kuan Jen	-do-	1,600		
	48	Pang Kuan Ming	-do-	1,600	20	
	50	Liew Hon Yong	1252, Jalan Changkat, Petaling Jaya, Selangor	3,200		
	50	Ng Kar Hock	15, Jalan Jien Han, Labis, Johore	4,000		
					Shares 90,000	
					=====	

SHARIKAT BERTAPAK SDN.BERHAD  
Sd: (Illegible)

DIRECTOR

Note: If the names in this list are not arranged in alphabetical order, an index sufficient to enable the name of any person in the list to be readily found must be annexed to this list. 30

EXHIBITS  
AB 16-18

TRANSLATION AT PAGE 1 OF  
SEARCH ON SYARIKAT HAYATI  
SENDIRIAN BHD.

EXHIBITS

AB 16-18  
Translation  
at page 1 of  
search on  
Syarikat Hayati  
Sendirian Bhd.

Telephone: 203166, 203354, Registry of Companies  
203572, 203725 1st Floor,  
Bank Negara Malaysia  
Our file: Local 16745 Building,  
Your file: UM/MAM/L.417/76 Kuala Lumpur

23rd June 1977

10

23rd June, 1977

Messrs. Jackson & Masacorale,  
Room 3F & 3G, 3rd Floor,  
Foh Chong Building.  
Ibrahim Road,  
Johore Bahru

Ref: Syarikat Hayati Pte. Ltd.

With reference to your letter dated 2-6-1977, I  
enclose herewith the particulars of the above  
company which are obtained from our file :-

20

- (a) Date of incorporation: 2-2-1974 Reg.No.3032/73  
(b) Registered office: 2nd Floor, Room 10-B2,  
Rasa Sayang Hotel, Dato  
Dalam Road, Johor Bahru  
(c) Authorised capital: \$100,000/- divided into  
100,000 shares of \$1-00 each.  
(d) Paid-up capital 90,000 shares at par value  
of \$1-00 per share.  
(e) Paid-up capital paid in cash: \$90,000/-  
(f) Paid-up capital paid other than cash:- -  
(g) Names and addresses of Directors, Manager  
and Secretaries :-

Directors:

- Lim Cheng @ Lim Sa Hup - 51, Eastern Garden,  
Segamat, Johore  
Pang Kuan Loong @ Pang Kaw - 5, Bumiputra Road,  
Off Stulang Laut Road,  
Johor Bahru  
Tan Choo Eng @ Tang Choo Ing - 50, Ibrahim Road,  
2nd Floor, Segamat,  
Johore  
Chang Lai Hin - 11-A, Lantana Avenue,  
Singapore.

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EXHIBITS

AB 16-18  
Translation  
at page 1 of  
search on  
Syarikat Hayati  
Sendirian Bhd.  
23rd June 1977  
(continued)

Directors: (cont'd)

Pang Kok Jan @ - 103, Dato Suleiman Road,  
Pang Kok Yin Johore Bahru  
Wan Tahir bin Wan- Kampong Chenor,  
Mohamed Temerloh, Pahang  
Ismail bin Mohd. - -do-  
Sidek  
Lim Chung Hai - 30, Segamat Road, Labis,  
Johore  
Mdm. Sin Hoon Khim- 4, Tengku Ahmad Road, 10  
Segamat, Johore

Managing Director:

Lim Cheng @ Lim - 51, Eastern Garden,  
Sa Hup Segamat, Johore

Secretary:

Pang Kuan Loong - 5, Bumiputra Road,  
@ Pang Kaw Off Stulang Laut Road,  
Johore Bahru

Share-holders: photostat copy forwarded

Sd: Khoo Beng Chit  
on behalf of Registrar of  
Companies, Malaysia

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I hereby certify that the above translation,  
is done by me to the best of my knowledge and  
belief.

Sgd. (Tanir bin Sulaiman)  
Jurubahasa Malaya  
Bersejil  
(Certificated Malay Interpreter)  
Mahkamah Tinggi  
Johor Bahra

COMPANIES ACT 1965

EXHIBITS

MALAYSIA

AB 16-18

LIST OF PERSONS HOLDING SHARES IN SYARIKAT HAYATI SDN.BHD. on the 29th day of August 1975 (being the date of the return or other authorized date) and an account of the shares so held

Search on  
Syarikat Hayat.  
Sendirian Bhd.

23rd June 1977

(continued)

Folio in Share Ledger	FULL NAME	ADDRESS	Number of shares held by Existing Member
10	1 Ismail bin Sidek	Kampong Chendor, Temerloh, Pahang	1,000
	2 Wan Tahir bin Wan Mohamed	-do-	1,000
	11 Mdm.Sin Hoon Khim	4, Jln.Tengku Ahmad, Segamat, Johore	14,000
	12 Lim Cheng @ Lim Sa Hup	51, Eastern Garden, Segamat, Johore	2,064
20	13 Ah Au Wah	A 1538, Jalan Pandang, Kuantan, Pahang	8,000
	17 Chang Lai Hin	11-A, Lantana Avenue, Singapore 10	6,600
	18 Mdm. Chong Chok	5, Jalan Bumiputra, Johore Bahru	6,400
	19 Pang Peen Moi	103, Jalan Dato Suleiman, Johore Bahru	6,000
	20 Pang Kok Jan @ Pang Kok Yin	103, Jalan Dato Suleiman, Johore Bahru	6,000
30	21 Pang Kuan Ying	5, Jalan Bumiputra, Johore Bahru	800
	22 Pang Yew	-do-	800
	23 Pang Yew Soong	-do-	800
	24 Pang Kuan Loong	-do-	800
	25 Pang Nyok Ying	-do-	800
	26 Pang Kuan Poh	-do-	800
	27 Pang Kuan Jen	-do-	800
	28 Pang Kuan Ming	-do-	800
40	29 Tan Jeak Buay	2, Jalan Suka, Singapore	6,700

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EXHIBITS

AB 16-18  
Search on  
Syarikat Hayati  
Sendirian Bhd.  
23rd June 1977  
(continued)

Folio in Share Ledger	FULL NAME	ADDRESS	Number of shares held by Existing Members
30	Ng Kar Hock	15, Jalan Tien Han, Labis, Johore	4,000
31	Liew Hon Yong	1252, Jalan Changkat, Petaling Jaya	3,200
32	Mdm. Tan Choo Eng	50, Jalan Ibrahim, 2nd Floor, Segamat, Johore	2,839
33	Eng Sian Kuang	5, Jalan Seraya, Batu Pahat Garden, Batu Pahat	3,097
34	Mdm. Ng Pin Lian	11-A, Lantana Avenue, Singapore 10	6,700
35	Lim Chung Hai	30, Jalan Segamat, Labis, Johore	4,000
36	Wong Voon Pian	37, Soon Cheong Garden, Jalan Segamat, Labis, Johore	1,032
37	Tan Jik Siang	2, Jalan Tengku Ahmad, Segamat	310
38	Tan Tock Huck	54, Jalan Sultan, Segamat	658
			Shares 90,000 =====

SYARIKAT HAYATI SDN.BHD.

Sd: Illegible  
Director

NOTE: If the names in this list are not  
arranged in alphabetical order, an index  
sufficient to enable the name of any  
person in the list to be readily found  
must be annexed to this list.

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IN THE JUDICIAL COMMITTEE OF THE PRIVY COUNCIL

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O N A P P E A L

FROM THE FEDERAL COURT OF MALAYSIA  
(APPELLATE JURISDICTION)

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B E T W E E N :

PANG CHOON KONG

Appellant  
(Defendant)

- and -

1. CHEW TENG CHEONG
2. LOH KIAN TEE

Respondents  
(Plaintiffs)

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RECORD OF PROCEEDINGS

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COWARD CHANCE,  
Royex House,  
Aldermanbury Square,  
London EC2V 7LD

Solicitors for the  
Appellant

KINGSFORD DORMAN  
14, Old Square,  
Lincoln's Inn,  
London WC2A 3UB

Solicitors for the  
Respondents