

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of Earliest Event Reported): August 20, 2019**

**FABRINET**

(Exact name of registrant as specified in its charter)

**Cayman Islands**  
(State or other jurisdiction  
of incorporation)

**001-34775**  
(Commission  
File Number)

**98-1228572**  
(I.R.S. Employer  
Identification No.)

**c/o Intertrust Corporate Services (Cayman) Limited**  
**190 Elgin Avenue**  
**George Town**  
**Grand Cayman**  
**KY1-9005**  
**Cayman Islands**

(Address of principal executive offices, including zip code)

**+66 2-524-9600**

(Registrant's telephone number, including area code)

**N/A**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading Symbol:	Name of each exchange on which registered:
<b>Ordinary Shares, \$0.01 par value</b>	<b>FN</b>	<b>New York Stock Exchange</b>

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

### **Item 1.01 Entry Into a Material Definitive Agreement.**

On August 20, 2019, Fabrinet Co., Ltd., a private limited company incorporated and existing under the laws of Thailand (the “**Borrower**”), and Bank of Ayudhya Public Company Limited (the “**Bank**”) entered into a Credit Facility Agreement (the “**Facility Agreement**”). The Borrower is a wholly-owned subsidiary of Fabrinet (the “**Company**”). The Facility Agreement provides for a facility of 110,000,000 Thai Baht and \$160,937,500 which may be used for, among other things, an overdraft facility, short term loans against promissory notes, a letter of guarantee facility, a term loan facility and foreign exchange facilities. The Bank may approve any request for extension of credit under the Facility Agreement and may increase or decrease any facility amount in its sole discretion. The Borrower’s obligations under the facility were guaranteed by the Company and are secured by real property owned by the Borrower in Thailand.

On August 20, 2019, the Borrower and the Bank entered into an agreement (the “**Term Loan Agreement**”) pursuant to which the Borrower borrowed on September 3, 2019 a term loan in the original principal amount of \$60,937,500 under the Facility Agreement (the “**Term Loan**”). The proceeds of the Term Loan, together with cash on hand, were used to repay outstanding obligations under that certain Credit Agreement, dated as of May 22, 2014, among the Company, the designated borrowers party thereto, the guarantors party thereto, the lenders party thereto and Bank of America, N.A., as administrative agent, as amended. The Term Loan accrues interest at 3-month LIBOR plus 1.35% and is repayable in quarterly installments of \$3,046,875, commencing on September 30, 2019. The Term Loan matures on June 30, 2024. The Borrower may prepay the Term Loan in whole or in part at any time without premium or penalty. Any portion of the Term Loan repaid or prepaid may not be reborrowed.

The Term Loan is guaranteed by the Company and secured by real property owned by the Borrower in Thailand. While the Term Loan is outstanding, the Borrower is required to maintain a loan to value of the mortgaged real property ratio of not greater than 65%. If the loan to value ratio is not maintained, the Borrower will be required to provide additional security or prepay a portion of the Term Loan in order to restore the required ratio. Under the terms of the guarantee, the Company is required to maintain a debt service coverage ratio of at least 1.25 times and a debt to equity ratio less than or equal to 1.0 times. Further, in the case of any payment of a dividend by the Company, its debt service coverage ratio must be at least 1.50 times.

The Term Loan Agreement contains affirmative and negative covenants applicable to the Borrower, including delivery of financial statements and other information, compliance with laws maintenance of insurance, restrictions on granting security interests or liens on its assets, disposing of its assets, incurring indebtedness and making acquisitions. The events of default in the Term Loan Agreement include failure to pay amounts due under the Term Loan Agreement or the related finance documents when due, failure to comply with the covenants under the Term Loan Agreement or the related finance documents, cross default with other indebtedness of the Borrower, events of bankruptcy or insolvency in respect of the Borrower, and the occurrence of any event or series of events that in the opinion of the Bank has or is reasonably likely to have a material adverse effect.

The foregoing description is qualified in its entirety by reference to the Facility Agreement and Term Loan Agreement, copies of which are attached as Exhibit 10.1 and Exhibit 10.2, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

### **Item 2.01 Termination of a Material Definitive Agreement.**

On September 10, 2019, the Company repaid in full the loans outstanding under, and terminated, that certain Credit Agreement, dated as of May 22, 2014, among the Company, the designated borrowers party thereto, the guarantors party thereto, the lenders party thereto and Bank of America, N.A., as administrative agent, as amended (the “**Credit Agreement**”). Early termination of the Credit Agreement did not trigger any early termination fees and required repayment of approximately \$61.0 million in respect of principal, accrued interest and other fees.

**Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The information set forth under Item 1.01, "Entry into a Material Definitive Agreement," is incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	<a href="#"><u>Credit Facility Agreement, dated as of August 20, 2019, by and between Fabrinet Co., Ltd. and Bank of Ayudhya Public Company Limited</u></a>
10.2	<a href="#"><u>Term Loan Agreement, dated as of August 20, 2019, by and between Fabrinet Co., Ltd. and Bank of Ayudhya Public Company Limited</u></a>

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: September 12, 2019

**FABRINET**

By: /s/ Toh-Seng Ng  
Toh-Seng Ng  
Executive Vice President, Chief Financial Officer

## CREDIT FACILITY AGREEMENT

Made at Bank of Ayudhya Public Company Limited  
Talat Si Mum Muang Branch

**THIS AGREEMENT** is made on 20 August 2019 by and between:

- (1) **FABRINET CO., LTD.**, a private limited company incorporated and existing under the laws of Thailand with its registered office located at 5/6 Moo 6 Khlong Nueng Sub-District, Khlong Luang District, Pathum Thani Province, Thailand (the “**Customer**”) of one part; and
- (2) **BANK OF AYUDHYA PUBLIC COMPANY LIMITED**, a public limited company incorporated and existing under the laws of Thailand with its registered office located at 1222 Rama III Road, Khwaeng Bangpongpan, Khet Yannawa, Bangkok, Thailand (the “**Bank**”) of the other part.

**WHEREAS** the Customer has been granted various type of credit facilities from the Bank. The Customer therefore agrees to enter into this Agreement with the Bank subject to the terms and conditions specified as follows:

## 1. DETAILS OF THE FACILITY

### 1.1 The Facility

- Purpose of the Facility: To use for the business of the Customer subject to the objectives of the Customer registered with the Department of Business Development, the Ministry of Commerce including to use as working capital or revolving credit in the business or any guarantee for the Customer’s business.
- Drawdown Period / Availability Period: 10 (Ten) years
- Total of the facility amount (“**Facility Amount**”): Baht 110,000,000.- (One Hundred Ten Million Baht) and USD 160,937,500.- (United States Dollar One Hundred Sixty Million Nine Hundred Thirty Seven Thousand Five Hundred)

1.2 The Facility, which has been granted to the Customer by the Bank, shall be, including but not limited to, each or any of the facilities, as the case may be, as follows:

#### 1.2.1 Overdraft

#### 1.2.2 Short Term Loans against Promissory Notes

#### 1.2.3 Term Loans, including, but not limited to

- (a) Commercial Loans
- (b) Housing Loans
- (c) Personal Loans

- 1.2.4 Trade Credit Facilities, including, but not limited to
  - (a) Letter of Credit
  - (b) Domestic Letter of Credit
  - (c) Trust Receipt
  - (d) Shipping Guarantee
  - (e) Packing Credit
  - (f) Export Bills Purchase or Discount
- 1.2.5 Contingent Liability, including, but not limited to
  - (a) Aval / Acceptance
  - (b) Letter of Guarantee / Bank Guarantee
  - (c) Stand-by Letter of Credit or Counter Guarantee
- 1.2.6 Domestic Bills Discount
  - (a) Discounting Post-dated Commercial Cheques
  - (b) Discounting Promissory Notes
  - (c) Discounting Bank Aval Notes and Banker's Acceptance
- 1.2.7 Foreign Exchange Contracts
- 1.2.8 Credit Statement Letter / Financial Support Letter
- 1.2.9 Government Credit Support
- 1.2.10 Financial Derivatives
- 1.2.11 Leasing / Hire Purchase
- 1.2.12 Factoring
- 1.2.13 Export Finance
- 1.2.14 Intraday Overdraft
- 1.2.15 Tax Card Discount
- 1.2.16 Effect Cheque
- 1.2.17 Other credit facilities (please specify)

Hereinafter collectively referred to as the “**Facility**” and that the drawdown of each or any of the Facility made before 11 February 2015 or the drawdown of each or any of the Facility, which will be made in the future, shall be deemed an integral part of this Agreement.

**Remarks:** The Customer agrees and acknowledges that Trade Finance and/or Contingent Liability, which the Customer had with the Bank before the execution date of this Agreement shall be deemed as one of the Facility under this Agreement.

1.3 The Customer has provided and agrees to provide the following types of collateral to the Bank in order to secure the payment of the Facility under this Agreement:

- Guarantee: Corporate guarantee from **Fabrinet** with condition that 1) its Debt Service Coverage Ratio (DSCR) shall be <sup>3</sup> 1.25 times and 2) its Debt to Equity Ratio (D/E) shall be  $\geq$  1.0 times; and in case of paying dividend, its Debt Service Coverage Ratio (DSCR) shall be <sup>3</sup> 1.50 times.
- Mortgage: Mortgage of lands and constructions on title deed no. 1645, 7132, 1634, 1635 and 1636 located at Khlong Nueng Sub-District, Khlong Luang District, Pathum Thani Province, owned by the Customer; and 2) title deed no. 54394 located at Khlong Kio Sub-District, Ban Bueng District, Chonburi Province owned by the Customer, as per details in related mortgage agreements.

- Others: Assignment of insurance before the first date of drawdown of term loan granted by the Bank to the Customer
- 1.4 Interest rates, fees or any expenses relating to the drawdown of the Facility under this Agreement shall be in accordance with normal customary and common practice of the Bank and/or each type of loan or credit agreement, which the Customer entered with the Bank.
- 1.5 Reference Interest Rate
- **“Default Interest Rate”** means the the maximum default interest rate charged by the Bank from time to time to its commercial borrowers/customers in accordance with applicable laws, including, the relevant notifications of the Bank.
- 1.6 Other conditions
- The Customer agrees to utilize the letter of guarantee facility in the amount of not exceeding Baht 100,000,000 (One Hundred Million Baht) (the “L/G Facility”) on the following conditions:
- 1.6.1 The Customer shall utilize the L/G Facility (L/G utility only) to support working capital of the Customer as part of Baht 100,000,000 mixed line (P/N, L/G) facility.
- For avoidance of doubt, utilization of the short term loan against promissory notes facility (P/N) are under the mixed line (P/N, L/G) facility and shall be subject to the terms and limit stipulated in relevant agreement documents provided that in any case and at any time, the aggregate utilization amount of L/G Facility and P/N shall not exceed Baht 100,000,000 (One Hundred Million Baht).
- 1.6.2 Prior to the utilization of the L/G Facility, the Customer agrees to provide the evidence that the Customer’s NCB is checked with good result before the setup of all facilities for the Customer.
- 1.6.3 Until all indebtedness of the Customer under the L/G Facility have been repaid in full, the Customer agrees that the loan to value (LTV) of the Customer shall be £ 65 (Sixty Five) % throughout the period of this Agreement.

## 2. TERMS AND CONDITIONS RELATING TO THE UTILIZATION OF THE FACILITY

- 2.1 The utilization of the Facility under this Agreement shall be subject to the following terms and conditions:
- (a) type and credit limit of each loan or credit hereof shall be subject to the approval of the Bank on or after the execution date of this Agreement as the Bank may deem appropriate;

- (b) the Bank, at its sole discretion, has the right to separate the credit limit of each type of loans or credits only by notifying the Customer;
  - (c) the Bank, at its sole discretion, has the right to increase or decrease the Facility Amount or the credit limit of each type of loans or credits under this Agreement and the Customer shall execute and deliver any document or evidence in a form and in substance satisfactory to the Bank, which shall be deemed as an integral part of this Agreement;
  - (d) the Customer may request to utilize the Facility Amount under this Agreement either in Thai currency or foreign currency, as the Bank may deem appropriate, provided, however, that such currency shall, at any time, not exceed the total Facility Amount specified hereof;
  - (e) the Customer shall comply with normal customary and common practice of the Bank including the terms and conditions for the procedures of drawdown as prescribed in each type of the loan or credit agreement entered with the Bank. In case there is no such terms and conditions, the Customer shall notify the Bank at least seven (7) days in advance with prior written notice before each drawdown.
  - (f) The Customer must supply promptly to the Bank any documentation or other evidence which is reasonably requested by the Bank (whether for itself or on behalf of any prospective transferee) to enable the Bank or prospective transferee to carry out the duty of monitoring status of the Customer and be satisfied with the results of all applicable customer due diligence requirements.
- 2.2 In each drawdown, the Customer represents and warrants that:
- (a) no event of default is continuing under this Agreement and/or any other credit facility agreements, which the Customer entered with the Bank;
  - (b) there is no events or circumstances, which have material adverse effect to the ability of the Customer to repay the debt under this Agreement;
  - (c) the Customer has executed and delivered an application for loans or credits, documents, or any agreement for each type of loans or credits in a form and in substance satisfactory to the Bank;
  - (d) the Customer has duly and fully provided a completed set of the required documents for drawdown in a form and in substance satisfactory to the Bank.
- 2.3 The Customer represents that the Customer shall comply with normal customary and common practice as well as the procedures of the Bank with respect to the utilization of the Facility and/or each type of loans or credits, which the Customer entered with the Bank. The Customer shall also comply with the laws, rules, regulations, orders or announcements of the Bank of Thailand or the relevant government authorities whether at present or in the future.



- 2.4 The Customer agrees and consents that the Bank has, at its sole discretion, the right to increase, decrease, suspend, or cancel the Facility Amount or amend the terms and conditions of the Facility of this Agreement and/or the credit limit of each type of loans or credits specified under this Agreement, without having to notify the Customer and that the Customer agrees not to make any claim or dispute against the Bank. In case that the Bank has exercised its right to cancel any loans or credits, the Customer agrees to pay the outstanding amount of such loan or credit, which has been cancelled, to the Bank in full immediately.
- 2.5 In case that any performance or obligations of the Bank under this Agreement or any loans or credits granted by the Bank is conflict or contrary to the laws, rules and regulations of the Bank of Thailand, the Bank shall have the right to suspend the unutilized Facility Amount and/or notify the Customer to repay all the utilized Facility Amount to the Bank within the specified period as reasonably determined and specified in the notice to be sent to the Customer and/or act any appropriate proceedings as reasonably determined and permissible by laws.
- 2.6 In case that the Customer has utilized any type of loans or credits with the Bank prior to the execution date of this Agreement and still has an outstanding amount according to such loans or credits with the Bank, the Customer agrees that such agreement, application for loans or credits, obligations and/or such agreement, document or evidence for drawdown of loans or credits or such security agreement including the outstanding debts shall be deemed as an integral part of this Agreement.
- 2.7 The Customer agrees and accepts that any agreement, utilization request for loan, obligations and/or agreement, document or evidence for drawdown of loans or credits as mentioned in Clause 1.2 hereof and any debt arising from the drawdown of such loans or credits shall be deemed an integral part of this Agreement.

### **3. INTERESTS, FEES AND EXEPENSES**

- 3.1 The Customer agrees to pay the interests, fees and any expenses in relation to the drawdown of the Facility of this Agreement in accordance with the normal customary and common practice as well as the procedures of the Bank and/or each type of loans or credits, which the Customer entered with the Bank.
- 3.2 In case that the Customer fails to pay the interests for a period of not less than one (1) year regardless of whether there is a notice sent to the Customer by the Bank, the Customer agrees and consents that the Bank is entitled to add such overdue interest on the outstanding principal immediately and that the Customer agrees to pay such outstanding principal with overdue interest to the Bank.

#### 4. DEFAULT AND CONSEQUENCES OF DEFAULT

4.1 In case that there is an occurrence of each or any of the following events, it shall be deemed that the Customer is in default or breach of this Agreement:

- (a) the Customer breaches any provisions of this Agreement and/or breaches any credit facility agreement entered with the Bank;
- (b) the Customer provided any information or details, which are false statement, to the Bank, and such information and details are significant and have an adverse effect in terms of the approval of the Bank for granting the Facility to the Customer;
- (c) the Customer ceases or dissolves its business or becomes insolvent or has been administrated or its business is in rehabilitation proceedings or is in death or has been ordered by the court to be incompetent or quasi-incompetent person;
- (d) the Customer has been in execution proceedings or its assets has been seized, attached or distressed according to the court judgment or any other laws or has been sued to the court which, in the opinion of the Bank, shall affect the capability of the Customer in performing its duties and obligations of this Agreement or any credit facility agreement entered with the Bank;
- (e) the value and creditability of the collateral, which the Customer provided to the Bank under this Agreement, or any credit facility agreement, which the Customer entered with the Bank, has been depreciated or such collateral has been, seized, attached or distressed by any third person, or the Bank is unable to enforce such collateral;
- (f) there is any significant event which, in the opinion of the Bank, is reasonably likely to have a material adverse effect to the business of the Customer or the ability of the Customer to repay the debt under this Agreement.

In case of any event of default or breach of the Agreement as mentioned above and the Customer fails to remedy such event if capable within 30 (thirty) days after becoming known of such occurrences, the Customer agrees that it shall be deemed to be default or breach of this Agreement and therefore consents the Bank, at its sole discretion, to proceed or act any of the followings:

- (a) reserve or separate any type of loans or credits, which the Customer entered with the Bank, in whole or in part, in order for the Bank to bring any outstanding amount from other type of loans or credits including interests, compensations and liabilities, which are accessory to the obligations, to record as the total outstanding amount in such reserved loans or credits so that it will become the outstanding amount owed by the Customer to the Bank under this Agreement. Any document or evidence prepared by the Bank in whatever forms shall be deemed an integral part of this Agreement; and/or
- (b) suspend or cancel the unutilized Facility Amount; and/or

- (c) terminate this Agreement or any credit agreement, which the Customer entered with the Bank, and demand the Customer to pay within 7 (seven) days the outstanding amount in full under this Agreement or the credit facility agreement which the Customer entered with the Bank including may enforce either wholly or partially on the rights of the collateral provided by the Customer to the Bank under this Agreement or any credit facility agreement entered with the Bank.

Provided, however, that the termination of this Agreement as mentioned above shall not affect the cancellation or wiping out any right of claim or demand of the Bank and also liabilities and obligations of the Customer for any damage, fine, expense and any monies specified in this Agreement or the credit facility agreement, which the Customer entered with the Bank or the Customer is required to pay by laws.

- 4.2 In case that the Customer fails to pay any amount payable by it under this Agreement, the Customer consents that the Bank has the right to calculate and collect from the Customer the interests on the overdue amount at the Default Interest Rate commencing from the date of default until the Bank shall have been paid under this Agreement in full or until the Customer shall have resolved or remedied the event of such default or breach to the satisfactory of the Bank.

## 5. MISCELLANEOUS

- 5.1 The Bank is entitled to set-off any debt of the Customer under this Agreement with the outstanding amount owed by the Bank to the Customer without notifying the Customer in advance regardless of whether such debt becomes due and payable or it is under conditions or time of commencement or ending, or required to send a notice of repayment or not. Once it is set-off, the Bank shall notify the Customer in accordance with the criteria specified hereof and if the debts of the Bank and the debts of the Customer are different currencies, the Bank has the right to convert such debts according to the foreign exchange rate in the market and in accordance with the set-off procedures of the Bank.
- 5.2 The Customer agrees and acknowledges that the assets or collateral, which the Customer provided to the Bank, the Bank shall, at any time, in the opinion of the Bank, have the right to appraise the value of such assets or collateral. The Customer shall be solely responsible for any expenses thereof.
- 5.3 In case the Bank considers that the collateral or guarantor under this Agreement is not sufficient to secure the debts or shall be unenforceable, the Bank has the right to notify the Customer to provide additional collateral or guarantor. In such case, the Customer shall proceed as notified by the Bank accordingly.
- 5.4 Any change, amendment or modification on any provisions of this Agreement shall only be made in writing with the mutual consents of the Customer and the Bank.

- 5.5 The Customer agrees and consents that the Bank has the right to disclose any information and details of the Customer under this Agreement, security agreement or any documents relating to this Agreement to its successors or assignees.
- 5.6 The Customer shall not be able to transfer or assign any rights and obligations under this Agreement unless receiving the prior written consent of the Bank, provided, however, that, the Customer agrees and consents that the Bank may transfer or assign any rights and obligations under this Agreement to any third party as the Bank may deem appropriate.
- 5.7 Any waiver by the Bank in exercising any right as a result of the default and/or breach of this Agreement by the Customer shall operate as a waiver for that specific case only. The Customer shall not claim and consider that such waiver will be applicable to the default or breach in any other cases.
- 5.8 If any terms or provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the remaining terms and provisions of this Agreement shall remain in full force and effect, and such invalid, illegal or unenforceable terms and provisions shall be deemed not to be part of this Agreement.
- 5.9 Any agreement, application for loans or credits, document, evidence, which the Customer entered with the Bank under this Agreement shall be deemed an integral part of this Agreement.
- 5.10 The Customer agrees and acknowledges that any drawdown made under this Agreement shall be in accordance with the normal customary and common practice of the Bank as long as it is not conflict or contrary to the provisions of this Agreement and shall be subject to the rules and regulations of drawdown for each type of the loans or credits, which the Customer has entered with the Bank.
- 5.11 Any notice, letter, demand or other mean of communication to be given hereunder to the Customer, either sent by registered mail, certified mail or by hand, if sent to the address of the Customer specified in this Agreement, it shall be deemed to have duly received by the Customer regardless of whether there is recipient or not. If it is however unable to be sent due to the change of address or it is demolished without notifying the Bank in writing by the Customer or unable to be sent because such address cannot be found by the Bank, it shall be deemed that the Customer shall have duly received such notice, letter, demand or such other mean of communication of the Bank.
- 5.12 This Agreement shall be governed by and construed in accordance with the law of Thailand.

**IN WITNESS WHEREOF** Both Parties have read and understood the contents of this Agreement thoroughly and therefore sign their names and affix the company's seal (if any) before the witnesses hereunder on the date, month and year first above written.

**FABRINET CO., LTD.**

Signed /s/ Karnjana Srisukho Customer  
( Mrs. Karnjana Srisukho )

Signed /s/ Panpjit Srisuwacharee Witness  
( Panpjit Srisuwacharee )

Signed /s/ Vana-Orn Daranond Witness  
( Vana-Orn Daranond )

**TERM LOAN AGREEMENT**

**DATED 20 AUGUST 2019**

**BETWEEN**

**FABRINET CO., LTD.**

**AS BORROWER**

**AND**

**BANK OF AYUDHYA PUBLIC COMPANY LIMITED**

**AS BANK**

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**THIS AGREEMENT** is made on 20 August 2019 by and between:

- (1) **FABRINET CO., LTD.**, a company incorporated under the laws of Thailand with its registered office located at 5/6 Moo 6 Khlong Nueng Sub-District, Khlong Luang District, Pathum Thani Province, Thailand (the **Borrower**); and
- (2) **BANK OF AYUDHYA PUBLIC COMPANY LIMITED**, a public company incorporated under the laws of Thailand with its registered office located at 1222 Rama III Road, Khwaeng Bang Phongphang, Khet Yan Nawa, Bangkok, Thailand (the **Bank**).

**IT IS AGREED** as follows:

## **1. DEFINITIONS AND INTERPRETATION**

### **1.1 Definitions**

**1M THBFIX** means the one-month fixed deposit interest rate in Baht as appears on Reuters screen “THBFIX = TH” at 11.00 a.m. (London time) on the second Business Day before the first day of each Interest Period (Rate Fixing Day).

**3M THBFIX** means the three-month fixed deposit interest rate in Baht as appears on Reuters screen “THBFIX = TH” at 11.00 a.m. (London time) on the second Business Day before the first day of each Interest Period (Rate Fixing Day).

**6M THBFIX** means the six-month fixed deposit interest rate in Baht as appears on Reuters screen “THBFIX = TH” at 11.00 a.m. (London time) on the second Business Day before the first day of each Interest Period (Rate Fixing Day).

**Availability Period** means a period stated in Clause 2.7 (*Availability Period*) of this Agreement.

**Business Day** means a day (other than a Saturday, a Sunday or a public holiday of financial institutions announced by the Bank of Thailand) on which banks are opened for general business in Bangkok, Thailand.

**Commitment** means the amount stated in Clause 2.1 (*Commitment*) of this Agreement.

**Default** means:

- (a) an Event of Default; or
- (b) an event or circumstance which would be (with the expiry of a grace period, the giving of notice or the making of any determination under the Finance Documents or any combination of them) an Event of Default.

**Default Rate** means the maximum default interest rate charged by the Bank from time to time to its commercial borrowers in accordance with applicable laws, including, the relevant notifications of the Bank of Thailand.

**Event of Default** means an event or circumstance specified as such in Clause 10 (*Events of Default*) of this Agreement.

**Finance Document** means:

- (a) this Agreement;



(b) if the Loan under this Agreement is a secured obligation, the Security Documents; and

(c) any other document designated as such by the Bank and the Borrower.

**Fixed Deposit Interest Rate for Corporate Customers** means the 12-month fixed deposit rate for corporate customers, which shall be announced by the Bank from time to time pursuant to the Bank of Thailand's announcement on the day falling two Business Days prior to the beginning date of each Interest Period (Rate Fixing Day).

**Fixed Deposit Interest Rate for Individual Customers** means the 12-month fixed deposit rate for individual customers, which shall be announced by the Bank from time to time pursuant to the Bank of Thailand's announcement on the day falling two Business Days prior to the first day of each Interest Period (Rate Fixing Day).

**GAAP** means generally accepted accounting principles in the jurisdiction of incorporation of the each Obligor.

**Guarantor** means the person named in Clause 2.12 (*Guarantor*) (if any).

**LIBOR** means, in relation to any Loan or unpaid sum in USD,

(a) the applicable Screen Rate; or

(b) (if no Screen Rate is available for USD for the applicable period of that Loan or unpaid sum) the arithmetic mean of the rates (rounded upwards to four decimal places) quoted by the commercial banks in the London interbank market (as supplied to the Bank at its request),

as of 11.00 am London time on the second Business Day before the first day of each Interest Period (Rate Fixing Day) for which an interest rate is to be determined for the offering of deposits in USD and for a period comparable to the applicable period for that Loan or unpaid sum.

**Loan** means the principal amount of a borrowing under this Agreement or the outstanding principal amount of any such borrowing.

**Material Adverse Effect** means a material adverse effect on:

(a) the business, prospects or financial condition of any Obligor;

(b) the ability of any Obligor to perform its obligations under any Finance Document;

(c) the validity, legality or enforceability of any Finance Document or the priority and ranking of any Security Interest expressed to be created pursuant to any Finance Document; or

(d) the Bank's rights or remedy under any Finance Document.

**Maturity Date** means the date stated in Clause 2.4 (*Maturity Date*) of this Agreement.

**MLR** means the minimum loan rate charged by the Bank to its prime customers for loans, as announced from time to time by the Bank pursuant to the announcement of the Bank of Thailand.

**MOR** means the minimum overdraft rate charged by the Bank to its prime customers for overdrafts, as announced from time to time by the Bank pursuant to the announcement of the Bank of Thailand.

**Mortgaged Property** means all property that are subject to mortgage under the Security Documents.

**MRR** means the minimum retail rate charged by the Bank to its prime retail customers for loans, as announced from time to time by the Bank pursuant to the announcement of the Bank of Thailand.

**Obligor** means the Borrower, the Guarantor or an owner of the Security Asset.

**Party** means any party to this Agreement.

**Screen Rate** means the British Bankers' Association LIBOR fixing for USD for the relevant period displayed on the LIBOR01 page of the Reuters screen. If the agreed page is replaced or service ceases to be available, the Bank may specify another page or service displaying the appropriate rate.

**Security Asset** means all security assets provided by an Obligor to the Bank as security under any Finance Documents.

**Security Documents** means:

- (a) any documents stated in Clause 2.11 (*Security*); and guarantee provided by the Guarantor (s) specified in Clause 2.12 (Guarantor (s)); and
- (b) any other document evidencing or creating security over any asset of an Obligor to secure any obligation of any Obligor to the Bank under the Finance Documents

**Security Interest** means any mortgage, pledge, lien, charge, assignment, hypothecation or any other agreement or arrangement having a similar effect.

**Tax** means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any related penalty or interest).

**Utilisation Date** means the date on which the relevant Loan is to be made.

**Utilisation Request** means a request for a Loan, substantially in the form of Schedule 1 (*Form of Utilisation Request*).

## 1.2 CONSTRUCTION

- (a) In this Agreement, unless the contrary intention appears, a reference to:
  - (i) an **amendment** includes a supplement, novation, extension (whether of maturity or otherwise), restatement, re-enactment or replacement (however fundamental and whether or not more onerous) and **amended** will be construed accordingly;
  - (ii) **assets** includes present and future properties, business, revenues and rights of every description;
  - (iii) an **authorisation** includes an authorisation, consent, approval, resolution, permit, licence, exemption, filing, registration, permission or notarisation of any governmental or other authority or any other person;
  - (iv) **disposal** means a sale, transfer, assignment, grant, lease, licence, declaration of trust or other disposal, whether voluntary or involuntary, and **dispose** will be construed accordingly;
  - (v) **indebtedness** includes any obligation (whether incurred as principal or as surety and whether present or future, actual or contingent) for the payment or repayment of money;

- (vi) a **person** includes any individual, company, corporation, unincorporated association or body (including a partnership, trust, fund, joint venture or consortium), government, state, agency, organisation or other entity;
  - (vii) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which any person to which it applies is accustomed to comply) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (viii) a Default being outstanding means that it has not been remedied or waived;
  - (ix) a provision of law is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation;
  - (x) a Clause, a Sub-clause or a Schedule is a reference to a clause or sub-clause of, or a schedule to this Agreement;
  - (xi) a Party or any other person includes its successors in title, permitted assigns and permitted transferees;
  - (xii) a Finance Document or other document or security includes any amendment to that Finance Document or other document or security, including any change in the purpose of, any extension for or any increase in the amount of a facility or any additional facility and
  - (xiii) a time of day is a reference to Bangkok time.
- (b) Unless the contrary intention appears:
- (i) a reference to a Party will not include that Party if it has ceased to be a Party under this Agreement;
  - (ii) a word or expression used in any other Finance Document or in any notice given in connection with any Finance Document has the same meaning in this Agreement; and
  - (iii) the headings in this Agreement do not affect its interpretation.

## 2. LOAN DETAILS

2.1	<b>Commitment (USD)</b>	60,937,500 (United States Dollar Sixty Million Nine Hundred Thirty Seven Thousand Five Hundred)
2.2	<b>Facility type</b>	Term Loan Facility
2.3	<b>Purpose</b>	To refinance loan of <b>Fabrinet</b> from Bank of America
2.4	<b>Maturity Date</b>	5 (Five) years from the date of first drawdown

2.5	<b>Repayment Instalments</b>	The principal repayment of drawdown amount shall be equally repaid on quarterly basis in 20 (Twenty) instalments in the amount of USD 3,046,875 (United States Dollar Three Million Forty Six Thousand Eight Hundred Seventy Five) per instalment; and all the remaining outstanding balance shall be repaid on the last instalment.  The first repayment shall be made on 30 September 2019.
2.6	<b>Borrower's Bank Account No. used for repayment of Loan</b>	[                    ]
2.7	<b>Availability Period</b>	within 90 (Ninety) days after the date of this Agreement
2.8	<b>Interest Rate</b>	3Mth USD LIBOR + 1.35 (One point three five) % per annum with IRS (Interest Rate Swap Scheme)
2.9	<b>Interest Period</b>	3 months or such other period as requested by the Borrower and agreed to by the Bank
2.10	<b>Fees</b>	
	• Front-end fee	-
	• Management fee	0.25 (Zero point two five) % of the amount drawn on the date of this Agreement
	• Prepayment fee	-
	• Cancellation fee	-
	• Commitment fee	-
	• Others	-
2.11	<b>Security</b>	<ol style="list-style-type: none"> <li>1. Mortgage of lands and constructions on 1) title deed no. 1645, 7132, 1634, 1635 and 1636 located at Khlong Nueng Sub-District, Khlong Luang District, Pathum Thani Province, owned by the Borrower; and 2) title deed no. 54394 located at Khlong Kio Sub-District, Ban Bueng District, Chonburi Province owned by the Borrower, as per details in related mortgage agreements.</li> <li>2. Assignment of insurance before the date of first drawdown</li> </ol>
2.12	<b>Guarantor(s)</b>	Corporate guarantee from <b>Fabrinet</b> with condition that 1) its Debt Service Coverage Ratio (DSCR) shall be <sup>3</sup> 1.25 times and 2) its Debt to Equity Ratio (D/E) shall be £ 1.0 times; and in case of paying dividend, its Debt Service Coverage Ratio (DSCR) shall be <sup>3</sup> 1.50 times.

2.13 **Notice details**

**The Borrower:**

Address: 5/6 Moo 6 Khlong Nueng Sub-District, Khlong Luang District, Pathum Thani Province

Tel: 0-2524-9600 ext. 6657 / 6629

Fax: -

E-mail: [karnjanas@fabrinet.co.th](mailto:karnjanas@fabrinet.co.th) / [Thanatpatarak@fabrinet.co.th](mailto:Thanatpatarak@fabrinet.co.th)

Attention: Ms. Karnjana Srisukho / Mr. Thanatpatara Krueasri

**The Bank:**

Address: 1222 Rama III Road, Khwaeng Bang Phongphang,  
Khet Yan Nawa, Bangkok 10120

Tel: 02-296-2614

Fax: 02-683-8608

Attention: Ms. Panpigit Srisuwatcharee

2.14 **Others**

-

**3. FACILITY**

3.1 Subject to the terms of this Agreement, the Bank makes available to the Borrower a term loan facility in an aggregate principal amount equal to the amount specified in Clause 2.1 (*Commitment*) of this Agreement.

3.2 The Loan may only be used for the purposes set forth in Clause 2.3 (*Purpose*) of this Agreement.

**4. CONDITIONS PRECEDENT AND UTILISATION REQUESTS**

**4.1 Conditions precedent**

A Borrower may only submit a Utilisation Request if the Bank has received (or waived receipt of) all the documents and evidence set out in Part 1 of Schedule 3 (*Conditions Precedent*) in form and substance satisfactory to the Bank. The obligations of the Bank to make any Loan are subject to the following further condition precedents:

- (a) a Utilisation Request has been given in accordance with the terms of this Agreement;
- (b) the representations and warranties given by the Borrower under this Agreement (including those contained in Clause 8 (*Representations and Warranties*) of this Agreement) remain correct in all material respects;
- (c) no Default is outstanding or would result from such Loan; and
- (d) there is no event which could be reasonably expected to have a Material Adverse Effect.

## 4.2 Utilisation Requests

The Borrower may borrow a Loan by giving the Bank a duly completed Utilisation Request. Unless the Bank otherwise agrees, the latest time for receipt by the Bank of a duly completed Utilisation Request is at 11.00 a.m. on 5 (five) Business Day before the proposed borrowing date (the **Utilisation Date**). Each Utilisation Request is irrevocable. A Utilisation Request will not be regarded as duly completed unless:

- (a) it has been signed by the Borrower and is substantially in the form set out in Schedule 1 (*Form of Utilisation Request*);
- (b) the Utilisation Date is a Business Day falling within the Availability Period; and
- (c) the amount of the Loan requested does not exceed the balance of the undrawn Commitment as at the Utilisation Date.

## 4.3 Receipt

On each Utilisation Date, the Borrower shall execute and deliver to the Bank a receipt substantially in the form of Schedule 2 (*Form of Receipt*) as the evidence that the Borrower has received the amount of the Loan requested on that Utilisation Date.

## 4.4 Common practice of the Bank

Except where it is provided to the contrary in this Agreement, a request for a Loan must be in accordance with the common practice of the Bank. For the purpose of this Clause, the Borrower must comply with all requirements relating to the common practice of the Bank in respect of the request of a Loan as notified by the Bank.

## 4.5 Conditions on drawdown

The Borrower agrees and accepts that the whole or partial drawdowns shall be made subject to the condition that:

- 1) the drawdown shall be made in one lump sum amount;
- 2) the drawdown shall be made against completion of mortgage of Borrower's land and building in Pathum Thani province and/or Chon Buri Province;
- 3) the financing amount shall not be higher than 65 (Sixty Five) % of the value of Borrower's land and building in Pathum Thani province and/or Chon Buri Province;
- 4) the Borrower agrees to provide to the Bank a copy of meeting minutes of the Borrower and **Fabrinet** indicating that purpose of entering banking facilities with the Bank is to repay in full outstanding obligations under the existing credit agreement of **Fabrinet**; and
- 5) the Borrower agrees to provide to the Bank an evidence showing the outstanding balance of term loan owed to Bank of America.

## 5. REPAYMENT, PREPAYMENT AND CANCELLATION

### 5.1 Repayment

The Borrower must repay all Loans (i) in full on the Maturity Date under Clause 2.4 (*Maturity Date*) or (ii) in instalments on the dates specified in Clause 2.5 (*Repayment Instalment*) (if applicable).

## **5.2 Voluntary prepayment**

The Borrower may, by giving not less than 7 (seven) Business Days' prior written notice to the Bank, prepay any Loan (in whole or in part) on the last day of any Interest Period. No amount of a Loan which has been prepaid under this Agreement may subsequently be re-borrowed.

## **5.3 Mandatory prepayment – illegality**

If the Bank notifies the Borrower that it is unlawful for the Bank to perform any of its obligations under the Finance Documents or to fund any Loan, then the Borrower must repay or prepay the Bank each Loan made to it on the date specified by the Bank in the notice provided to the Borrower following which the Commitment will immediately be cancelled.

## **5.4 Cancellation**

The Commitment will automatically be cancelled at the close of business on the last day of the Availability Period. The Borrower may, by giving not less than 7 (seven) Business Days' prior notice to the Bank, cancel the unutilised amount of the Commitment in whole or in part.

## **5.5 Miscellaneous provisions**

- (a) Any notice of prepayment or cancellation is irrevocable and must specify the relevant date and other details relating to the affected Loans.
- (b) All prepayments must be made with accrued interest on the amount prepaid, calculated up to the date immediately preceding the date on which each prepayment is made.
- (c) No prepayment or cancellation is allowed except in accordance with this Agreement.
- (d) Any Commitment cancelled may not subsequently be reinstated.

## **6. INTEREST, INTEREST PERIOD AND INTEREST ON OVERDUE AMOUNTS**

### **6.1 Interest Rate**

The Borrower agrees to pay interest on each Loan at the interest rate specified in Clause 2.8 (*Interest Rate*). The Borrower must pay accrued interest on each Loan made to it on the last Business Day of each Interest Period.

### **6.2 Change of Reference Interest Rate**

To the extent that the Interest Rate is based on any reference interest rate, the Borrower acknowledges that the reference interest rate specified in this Agreement may from time to time increase or decrease depending on the condition of financial markets. The Borrower agrees to pay interest at the newly adjusted rate, whether or not a notice of any change in the reference interest rate has been given to the Borrower, if such newly adjusted rate does not exceed the highest applicable rate stipulated by laws.

### **6.3 Interest Periods and payment of interest**

- (a) The first Interest Period in respect of any Loan commences from (and including) the first Utilisation Date and ends on (but excluding) the last day of the first Interest Period. Each subsequent Interest Period will commence from (and including) the last day of the preceding Interest Period and ends on (but excluding) the last day of the subsequent Interest Period.

- (b) Interest is calculated on a daily basis based on the actual number of days elapsed of each Interest Period and a year of 365 days, commencing from (and including) the first day of each Interest Period to (but excluding) the interest payment date of such Interest Period. The interest must be payable on the last Business Day of the relevant calendar month.

#### **6.4 Interest on overdue amounts**

If the Borrower fails to perform its obligations hereunder and fails to pay an amount payable by it under this Agreement, it must immediately pay interest on all amount outstanding at the Default Rate, instead of the Interest Rate specified in Clause 6.1 (*Interest Rate*), for so long as the Borrower is in default.

#### **6.5 Overdue interest**

If interest (including, to the extent permitted by law, default interest) remains overdue and unpaid for a period of one year or more, such overdue interest will be added to the principal and become a Loan on which interest shall accrue at the Default Rate.

#### **6.6 Market disruption**

If at any time any of the following events occurs, and after the notification by the Bank of such event, the Bank may fix a new interest rate applicable during the affected period as it thinks fit, taking into account the condition of the financial market at that time, and the Borrower agrees to pay interest at such new interest rate fixed by the Bank:

- (a) any event that, in the Bank's determination, adversely affects the overall financial market, and no appropriate mean exists for ascertaining any interest rates applicable under this Agreement for the affected period; or
- (b) if it is impracticable to determine any reference interest rate used in this Agreement or the relevant reference interest is no longer available.

### **7. PAYMENTS**

#### **7.1 Method**

All payments under the Finance Document must be made by the Borrower to the Bank (a) by fund transfer in immediately available fund to the Borrower's Bank Account specified in Clause 2.6 on the date which the relevant amount becomes due in an amount at least equals to the total amount due and payable as at the relevant due date, plus all expenses to be incurred from the fund transfer between accounts., or (b) any other method as may be agreed, from time to time, by the Bank and the Borrower.

#### **7.2 Funds**

Payments under this Agreement and the Finance Documents to the Bank must be made in USD in such amount or such place of payment as the Bank may specify to the Borrower.

#### **7.3 Taxes**

All payments made by the Borrower to the Bank under the Finance Documents must be free of any conditions, including deductions of taxes or other expenses which may be assessed or withheld according to applicable laws, orders or regulations of any government agencies in effect now and/or in the future. If the law requires that the Borrower make such deduction of taxes or expenses, the



Borrower agrees to pay an amount which (after making such deduction of taxes or expenses) leaves an amount equal to the payment of the principal, interest, fees, expenses or any funds which would have been due under the Finance Documents as if no deduction of taxes or expenses had been made. After tax deduction, the Borrower must remit the tax payment to the Revenue Department and provide the relevant evidence to the Bank.

#### **7.4 Set-off**

All payments made by the Borrower under the Finance Documents must be made without set-off or counterclaim.

#### **7.5 Business Days**

If a payment under the Finance Documents is due on a day which is not a Business Day, the due date for that payment will instead be the preceding Business Day or whatever day the Bank determines is market practice.

#### **7.6 Timing of payments**

If a Finance Document does not provide for when a particular payment is due, that payment will be due within three Business Days of demand by the Bank.

### **8. REPRESENTATIONS AND WARRANTIES**

8.1 Unless a representation and warranty is expressed to be given at a specific date, the Borrower makes the representations and warranties set out in Schedule 4 (*Representations and Warranties*) to the Bank on the date of this Agreement. Those representations and warranties shall be deemed to be repeated by the Borrower on each day during the term of this Agreement.

8.2 Where a representation or warranty in this Clause 8 (*Representations and Warranties*) is expressed to apply to any person other than the Borrower, the Borrower shall ensure that the stated position of such representation or warranty is true as at the time of making or repeating of that representation or warranty.

### **9. UNDERTAKINGS AND NEGATIVE COVENANTS**

Unless it is otherwise waived or consent is obtained from the Bank, the Borrower agrees to be bound by the covenants set out in Schedule 5 (*Undertakings*) and, where the undertaking is expressed to apply to other person, the Borrower must ensure that such other person perform that undertaking.

### **10. EVENTS OF DEFAULT**

10.1 Event of Default means any of the following events or circumstances:

(a) **Non-payment**

An Obligor does not pay on the due date any amount payable by it under the Finance Documents in the manner required under the Finance Documents unless such failure to comply is capable of remedy and is remedied within 3 (three) Business Days.

(b) **Breach of other obligations**

An Obligor does not comply with any term of the Finance Documents. No event of default will occur if the failure to comply is capable of remedy and is remedied within 30 (thirty) Business Days.

(c) **Misrepresentation**

A representation or warranty made or deemed to be repeated by an Obligor in any Finance Document or in any document which is required to be delivered by or on behalf of the Obligor under any Finance Document is incorrect or misleading in any material respect when made or deemed to be repeated.

(d) **Cross-default**

Any of the following occurs in respect of any Obligor: (a) any of its indebtedness (other than that stated in the Finance Documents) is not paid when due; (b) any of its indebtedness becomes prematurely due and payable, or is capable of being declared by a creditor to be prematurely due and payable; or (c) any commitment for its indebtedness is cancelled or suspended as a result of an event of default or any provision having a similar effect.

(e) **Insolvency**

Any of the following occurs in respect of any Obligor:

- (i) it is unable to pay its debts as they fall due, or is deemed for the purposes of any applicable law to be insolvent ;
- (ii) it admits its inability to pay its debts as they fall due;
- (iii) it commences bankruptcy or business rehabilitation proceedings;
- (iv) it begins negotiations with any creditor for the rescheduling or restructuring of any of its indebtedness; or
- (v) any of its indebtedness is subject to a moratorium.

(f) **Insolvency proceedings**

Any of the following occurs in respect of any Obligor without the prior written consent of the Bank:

- (i) any step is taken with a view to the suspension of payments, a moratorium or a composition, compromise, assignment or similar arrangement with any of its creditors;
- (ii) a meeting of its shareholders, directors or other officers is convened for the purpose of considering any resolution for, to petition for or to file documents with a court or any registrar for, its winding-up, administration or dissolution or any such resolution is passed;
- (iii) any person presents a petition, or files documents with a court or any registrar, for its winding-up, administration or dissolution;
- (iv) any Security Interest is enforced over any of its assets;
- (v) an order for its winding-up, administration, dissolution or reorganisation is made;
- (vi) an official receiver, liquidator, plan preparer or administrator in business rehabilitation proceedings or similar officer is appointed in respect of it or any of its assets; or

(vii) any other analogous step or procedure is taken in any jurisdiction.

**(g) Creditors' process**

(i) Any attachment, sequestration, distress or execution affects any asset(s) of any Obligor.

(ii) Any legal claim against any Obligor adversely affects its financial condition and is not discharged within the time specified by the Bank.

**(h) Cessation of business**

Any Obligor ceases to carry on the business being carried out as at the date of this Agreement, except as a result of any disposal allowed under this Agreement or with the prior written consent of the Bank.

**(i) Effectiveness of Finance Documents**

(i) Any Finance Document is not effective in accordance with its terms or is alleged by an Obligor to be ineffective in accordance with its terms for any reason.

(ii) A Security Document (if any) does not create a Security Interest it purports to create.

**(j) Material adverse change**

(i) Any Obligor carries out its internal reorganisation which, in the opinion of the Bank, has or is reasonably likely to have a Material Adverse Effect.

(ii) Any event or series of events occur which, in the opinion of the Bank, has or is reasonably likely to have a Material Adverse Effect.

10.2 If an Event of Default under Clause 10.1 is outstanding, the Bank may, by notice to the Borrower:

(a) cancel all or any part of the unutilised Commitment;

(b) declare that all or part of any amounts outstanding under the Finance Documents are immediately due and payable and/or payable on demand by the Bank; and/or

(c) enforce all or any part of the security constituted by the Security Documents.

Any notice given under this Sub-clause (b) will take effect in accordance with its terms.

**11. EXPENSES**

11.1 The Borrower must pay to the Bank the amount of all actual costs and expenses (including fees relating to the appraisal of security assets and legal fees) incurred by the Bank arising from or in connection with:

(a) the negotiation, preparation, printing and execution of any Finance Document (including any Finance Document entered into after the date of this Agreement);

(b) any amendment, waiver or consent requested by the Borrower or specifically allowed by a Finance Document;

- (c) the enforcement of, or the preservation of the Bank's rights under any Finance Documents; and
  - (d) any proceedings threatened or instituted by or against the Bank as a consequence of it entering into a Finance Document.
- 11.2 The Borrower agrees to waive its right to claim a refund of all fees, expenses or other amounts paid by it to the Bank after the date of this Agreement if this Agreement becomes unenforceable or the Borrower is unable to draw the full or partial amount of the Commitment under this Agreement for any reason.

## **12. INDEMNITIES**

- 12.1 The Borrower must indemnify the Bank against any loss or liability which the Bank incurs as a consequence of:
- (a) the occurrence of any Event of Default;
  - (b) any failure by the Borrower to pay any amount due under any Finance Document on its due date (including, but not limited to, fees, costs and expenses arising in connection with a Loan being repaid or prepaid otherwise than on the last day of the Interest Period applicable to it);
  - (c) (other than by reason of gross negligence or default by the Bank) a Loan not being drawn by the Borrower after a Utilisation Request has been delivered for that Loan;
  - (d) a Loan (or part of a Loan) not being prepaid in accordance with this Agreement;
  - (e) the investigation of any event which the Bank reasonably believes to be a Default;
  - (f) acting or relying on any notice which the Bank reasonably believes to be genuine, correct and appropriately authorised;
  - (g) obtaining of payment relating to the Borrower's liability under the Finance Documents in any foreign currency (whether that payment results from a court's decision or order requiring that the Borrower pay an indemnity or damages in any foreign currency to the Bank); or
  - (h) the introduction of, or any change in any law or regulation, which affects the granting of a Loan to the Borrower.
- 12.2 The Borrower must pay to the Bank the amount of all fees, costs and expenses (including legal fees) incurred by it in connection with the unwinding of any derivative transaction entered into by the Bank in relation to the Finance Documents or the funding of the Loans under the Finance Documents as a result of the occurrence of a Default by the Borrower.

## **13. DISCLOSURE OF INFORMATION**

- 13.1 The Bank may disclose information supplied to it by the Borrower in connection with the Finance Documents:-
- (a) to its affiliates or related person on a need to know basis;
  - (b) which is publicly available, other than as a result of a breach by the Bank of this Clause;
  - (c) in connection with any legal or arbitration proceedings;

- (d) if required to do so under any law or regulation;
  - (e) to a governmental, banking, taxation or other regulatory authority;
  - (f) to its professional advisers;
  - (g) to any rating agency;
  - (h) with the agreement of the Borrower; or
  - (i) any person with (or through) whom that Bank enters into (or may enter into) any kind of assignment agreement.
- 13.2 This Clause supersedes any previous confidentiality undertaking given by the Bank in connection with this Agreement prior to it becoming a Party.

## **14. MISCELLANEOUS**

### **14.1 Certificates and determinations**

Any certification or determination by the Bank of a rate or amount under the Finance Documents will be, in the absence of manifest error, conclusive evidence of the matters to which it relates.

### **14.2 Amendments and Waivers**

- (a) Any term of any Finance Document may only be amended in writing with the agreement of the Borrower and the Bank.
- (b) A waiver of any term of the Finance Documents may be granted in writing by the Bank.

### **14.3 Waivers and remedies cumulative**

The rights of the Bank under the Finance Documents may be exercised as often as necessary, are cumulative and not exclusive of its rights under general law and may be waived only in writing and specifically. Delay in exercising or non-exercise of any right is not a waiver of that right.

### **14.4 Assignments and transfers**

The Borrower may not assign or transfer any of its rights and obligations under the Finance Documents without the prior written consent of the Bank. The Bank may, at any time and at its own costs and expenses assign or transfer (including by way of novation) any of its rights and obligations under the Finance Documents to any other person provided however that such assignment and transfer shall not incur any additional liability or responsibility or obligation to the Borrower than those as specified in the Agreement.

### **14.5 Set-off**

If the Borrower fails to make payment of any amount due under the Finance Documents (which includes the principal, interest, fees, insurance premiums (if any), expenses and indemnities), the Bank is authorized, and may, set off such amount (whether or not such amount due must be paid to the Bank or its branch) against any obligation owed by the Bank to the Borrower, by immediately and without notice to the Borrower, debiting the Borrower's account including deposit(s) with the Bank, any funds of the Borrower held by the Bank, any amounts to be returned by the Bank to the Borrower and other amounts owed by the Bank to the Borrower. If the obligations are in different currencies, the Bank may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

#### **14.6 Severability**

If a term of a Finance Document is or becomes illegal, invalid or unenforceable in any respect under any jurisdiction, that will not affect the legality, validity or enforceability of any other terms of the Finance Documents.

#### **14.7 Notices**

Any communication in connection with a Finance Document must be in writing and, unless otherwise stated, may be given: (a) in person or by post; or (b) by any means as agreed by the parties. Unless it is agreed to the contrary, any consent or agreement required under a Finance Document must be given in writing. The contact details of the parties for this purpose are as set forth in Clause 2.13 (*Notice details*). Either party may change their contact details by giving at least five Business Days' notice to the other party.

#### **14.8 Effectiveness**

All communications, demands, notices or other correspondence required to be given to the Borrower, whether the delivery is by registered or non-registered post or by hand, if they are sent to the Borrower's address stated in this Agreement, shall be deemed to have duly been received by the Borrower, irrespective of whether there is a recipient. Even if the delivery is unsuccessful because (i) the Borrower has moved its place of business, (ii) there is a change to the Borrower's address stated herein, (iii) the Borrower's place of business is removed, in each case, without written notice of such change to the Bank, or (iv) the stated address is unfound, the Borrower shall be deemed to have duly received all communications, demands, notices or other correspondence given by the Bank.

#### **14.9 Entire agreement**

This Agreement constitutes the entire agreement between the parties and supersedes any prior agreement, understanding, undertaking or arrangement between the parties relating to the subject matter of the Agreement

#### **14.10 Governing law**

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by Thai law.

**SCHEDULE 1**  
**FORM OF UTILISATION REQUEST**

To: Bank of Ayudhya Public Company Limited (as **Bank**)

From: [•]

Date: [•]

**[INSERT NAME OF BORROWER] – Term Loan Agreement dated [•] and entered into between the  
Borrower and the Bank (the Agreement)**

1. We refer to the Agreement. This is a Utilisation Request. Capitalised terms defined in the Agreement have the same meaning in this Utilisation Request unless otherwise defined in this Utilisation Request.
2. We wish to submit this irrevocable Utilisation Request to the Bank with an intention to drawdown on the following terms:
  - (a) Utilisation Date: [•]; and
  - (b) Amount: THB [•];
3. Our payment instructions are: [•].
4. We confirm that on the date of this Utilisation Request:
  - (a) all representations and warranties given by the Borrower under the Agreement (including those contained in Clause 8 (*Representations and Warranties*) of this Agreement) remain true and correct in all respects;
  - (b) no Default is outstanding or will result from the Loan; and
  - (c) there is no event or series of events which could be reasonably expected to have a Material Adverse Effect.

Signed on behalf of

[•]

By: \_\_\_\_\_

Name:

Title:

**SCHEDULE 2**  
**FORM OF RECEIPT**

To: Bank of Ayudhya Public Company Limited (as **Bank**)

From: [•]

Date: [•]

**[INSERT NAME OF BORROWER] (the Borrower) – the Term Loan Agreement dated [•] and  
entered into between the Borrower and the Bank (the Agreement)**

1. We refer to the Agreement. This is a Receipt. Capitalised terms defined in the Agreement have the same meaning in this Receipt unless otherwise defined in this Receipt.
2. We hereby confirm that the Loan made by you has been received by us in accordance with the Utilisation Request dated [•] and such Loan is borrowed and received by us upon the terms and subject to the conditions set out in the Agreement in all respects.

Signed on behalf of

[•]

By: \_\_\_\_\_

Name:

Title:



**SCHEDULE 3**

**CONDITIONS PRECEDENT**

**DOCUMENTS TO BE DELIVERED BEFORE THE FIRST REQUEST**

**Corporate documentation**

1. A copy of the latest company affidavit, memorandum of association and articles of association of each Obligor (which were issued not more than 30 (thirty) days prior to the date of this Agreement).
2. A copy of the list of shareholders of each Obligor, of which details are based on its share register and were verified and certified by the Obligor's share registrar not more than 30 (thirty) days prior to the date of this Agreement, together with a representation of the Borrower that the list of shareholders is true and correct as at the date of this Agreement.
3. A copy of a resolution of the board of directors of each Obligor approving the terms of, and the transactions contemplated by, the Finance Document to which the Obligor is the party.
4. A power of attorney of each Obligor appointing any person (other than the authorised directors whose names are listed in the Obligor's corporate affidavit) to execute and deliver the Finance Documents and other documents as contemplated by the Finance Documents on behalf of the Obligor.
5. A specimen of the signature of each person authorised on behalf of an Obligor to enter into any Finance Document or to sign or send any document or notice in connection with any Finance Document.
6. A written consent of the spouse of an Obligor to the entry into the Finance Documents if the Obligor is an individual who is married.
7. A certificate of an authorised signatory of the Borrower certifying that each copy document specified in this Schedule is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement.

**Financial Information**

8. A copy of the latest financial statements

**Finance Documents**

9. The Finance Documents executed by the parties thereto (together with all notices and acknowledgments thereto (if applicable)) and evidence that registrations required to be executed on or prior to the first Utilisation Date in order to effect and perfect any obligation under the Security Documents have been completed.

**Other documents and evidence**

10. Evidence that all fees and expenses then due and payable from the Borrower under this Agreement have been or will be paid by the first Utilisation Date.
11. Evidence that all taxes (including stamp duty) payable in Thailand in connection with the execution and/or enforcement of the Finance Documents have been paid.

12. A copy of any other authorisation or other document, opinion or assurance which the Bank has notified the Borrower is necessary or desirable in connection with the entry into and performance of, and the transactions contemplated by, any Finance Document or for the validity and enforceability of any Finance Document.
13. A copy of meeting minutes of the Borrower and **Fabrinet** indicating that purpose of entering banking facilities with the Bank is to repay in full outstanding obligations under the existing credit agreement of **Fabrinet**.
14. Evidence that outstanding balance of term loan owed to Bank of America.
15. Evidence that the Borrower has appraisal value of collateral accepted by the Bank without any issue or comment before the date of this Agreement with condition that the Borrower's LTV shall be £ 65 (Sixty Five) % and related insurances shall be received before the date of first drawdown.
16. Evidence that the Borrower's NCB is checked with good result before the setup of all facilities for the Borrower.
17. Original of corporate guarantee from **Fabrinet** with condition that 1) its Debt Service Coverage Ratio (DSCR) shall be <sup>3</sup> 1.25 times and 2) its Debt to Equity Ratio (D/E) shall be £ 1.0 times; and in case of paying dividend, its Debt Service Coverage Ratio (DSCR) shall be <sup>3</sup> 1.50 times.

**SCHEDULE 4**  
**REPRESENTATIONS AND WARRANTIES**

**1. Status**

The Borrower is a limited liability company, duly incorporated and validly existing under the laws of Thailand. It has the power to own its assets and carry on its business as it is being conducted.

**2. Powers and authority**

Each Obligor has the power to enter into and perform, and has taken all necessary action to authorise the entry into and performance of, the Finance Documents to which it is or will be a party and the transactions contemplated by those Finance Documents.

**3. Legal validity**

Each Finance Document to which each Obligor is a party is its legally binding, valid and enforceable obligation in accordance with its terms.

**4. Non-conflict**

The entry into and performance by each Obligor of, and the transactions contemplated by, Finance Documents do not conflict with:

- (a) any law or regulation applicable to such Obligor;
- (b) its company affidavit, objectives, memorandum of association and articles of association; or
- (c) any document which is binding upon the Obligor or any of its assets.

**5. No default**

- (a) No Default is outstanding or will result from the entry into of, or the performance of any transaction contemplated by, any Finance Document.
- (b) No other event or circumstance is outstanding which constitutes a default under any document which is binding on it or any of its assets to an extent or in a manner which has or is reasonably likely to have a Material Adverse Effect.

**6. Authorisations**

All authorisations required by it in connection with the entry into, performance, validity and enforceability of, and the transactions contemplated by the Finance Documents have been obtained or effected (as appropriate) and are in full force and effect. To the extent that the Obligor is a corporate, its board of directors has approved the execution and performance of this Agreement and other documents stated in this Agreement. Such approval conforms to the Obligor's articles of association and the applicable laws.

**7. Ranking of Security**

The security conferred by each Security Document (if any) constitutes a security interest of the type and priority described, over the assets referred to, in that Security Document and those assets are not subject to any prior or pari passu Security Interest except for liens or other preferential interests arising by operation of law.

**8. Litigation**

No litigation, arbitration or administrative proceedings against an Obligor has been started or, to its knowledge, threatened, which have or, if adversely determined, are reasonably likely to have a Material Adverse Effect.

**9. Information**

- (a) All information supplied by it to the Bank in connection with the Finance Documents is true and accurate in all material respects as at the date at which it is stated to be given; and
- (b) The Borrower has not omitted to supply any information which, if disclosed, might make the information supplied untrue or misleading in any material respect.

**10. Financial statements**

Its audited financial statements delivered to the Bank:

- (a) have been prepared in accordance with GAAP; and
- (b) give a true and fair view of its financial condition (consolidated, if applicable) as at the date to which they were drawn up, except, in each case, as disclosed to the contrary in those financial statements.

**11. No material adverse change**

There has been no material adverse change in the consolidated financial condition of the Borrower since the date on which the financial statements provided to the Bank under Schedule 3 (*Conditions Precedent*).

**12. Licences**

All copyrights, patents, trademarks, concessions, licences, permits, consents, privileges and benefits under the law governing investment promotion, or any rights and benefits, or other authorisations granted, issued or certified by any relevant government agencies, authorities or corporate entities, which the Borrower is required at the relevant time to hold, maintain or use in the operation of its business or in relation to the execution or performance of this Agreement, remain in full force and effect.

**SCHEDULE 5**  
**UNDERTAKINGS AND NEGATIVE COVENANTS**  
**PART 1**  
**FINANCIAL INFORMATION COVENANTS**

**1. Form of financial statements**

The Borrower must ensure that each set of financial statements supplied under this Agreement were prepared in accordance with GAAP (if audited), gives (if audited) a true and fair view of, or (if unaudited) fairly represents, the financial condition (consolidated or otherwise) of the relevant person as at the date to which those financial statements were drawn up.

**2. Year end**

The Borrower must not change its financial year end.

**3. Information - miscellaneous**

The Borrower must supply to the Bank:

- (a) copies of all documents despatched by the Borrower to its shareholders or any class of them (if the Borrower is a legal entity) or its creditors generally or any class of them at the same time as they are despatched;
- (b) promptly upon becoming aware of them, details of any litigation, arbitration or administrative proceedings against any Obligor which are current, threatened or pending and which have or might, if adversely determined, have a Material Adverse Effect;
- (c) promptly on request, such further information regarding the financial condition business and operations of any Obligor as the Bank may reasonably request; and
- (d) promptly any documentation or other evidence which is reasonably requested by the Bank (whether for itself or on behalf of any prospective transferee) to enable the Bank or prospective transferee to carry out the duty of monitoring status of the Borrower and be satisfied with the results of all applicable customer due diligence requirements.

**4. Notification of Default**

The Borrower must notify the Bank of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

**PART 2**  
**GENERAL COVENANTS**

**1. Authorisations**

Each Obligor must promptly:

- obtain, maintain and comply with the terms; and
- supply certified copies to the Bank,

of any authorisation required under any law or regulation to enable it to perform its obligations under, or for the validity or enforceability of any Finance Document.

**2. Compliance with laws**

Each Obligor must comply in all respects with all laws to which it is subject.

**3. Pari passu ranking**

Each Obligor must ensure that its payment obligations under the Finance Documents at all times rank at least pari passu with all its other present and future unsecured payment obligations, except for obligations mandatorily preferred by law.

**4. Negative pledge**

Except as provided below, no Obligor may create or allow to exist any Security Interest on any of its assets:

- (a) any Security Interest constituted by the Security Documents;
- (b) any lien arising by operation of law and in the ordinary course of business;
- (c) any Security Interest created over goods (or the related documents of title) and/or cash deposits in respect of letters of credit, trust receipt, bank guarantee or similar instruments issued at the request of the relevant Borrower in order to assure payment of raw materials, goods and/or services for operation of their ordinary course of business, *provided that* the underlying indebtedness is paid when due; and
- (d) any other Security Interest created with the prior written consent of the Bank.

**5. Disposals**

Except as provided below, no Obligor may dispose of all or any part of its assets except for any disposal:

- (a) of assets which is made in the ordinary course of trading of the disposing entity; or
- (b) of assets in exchange for other assets comparable or superior as to type, value and quality;

provided that those assets are not Security Asset under the Finance Documents.

## **6. Indebtedness**

No Obligor may incur or permit to be outstanding any indebtedness, except for the following:

- any indebtedness incurred under the Finance Documents;
- any derivative transaction entered into with the Bank to protect against fluctuations in any rate or price entered into in the ordinary course of business;
- any indebtedness incurred in the ordinary course of business of the Borrower;
- any indebtedness owed to any person other than the Bank which the Borrower have already notified to the Bank prior to the date of this Agreement; and
- any indebtedness incurred with prior written consent from the Bank.

## **7. Loan or guarantee**

Each Obligor must not, without prior written consent of the Bank, grant loans or credit, provide guarantee or incur liabilities to any person or assume any person's indebtedness.

## **8. Change of business**

Each Obligor must ensure that no substantial change is made to the general nature of its business from that carried on at the date of this Agreement.

## **9. Capital reduction or mergers**

No Obligor may reduce its capital or enter into any amalgamation, demerger, merger or reconstruction other than under an intra-Group re-organisation on a solvent basis or other transaction agreed by the Bank.

## **10. Acquisitions or investment in other business**

The Borrower must not acquire any business, shares or other ownership interests in any other person. This does not apply to acquisitions where the Borrower gives written notice to the Bank at least 30 (thirty) days before the date of such acquisitions, with a summary of the intended investment project and nature of the target business, including other documents to be delivered to the Bank as it may request in the future.

## **11. Loan to Value**

If the Bank considers that the value of the Mortgaged Property is depreciated for any reason, or that the Mortgaged Property is damaged, lost or put in peril to such an extent that its value becomes depreciated and insufficient to secure the Borrower's obligations under this Agreement, the Borrower shall, or shall procure that the other Obligors shall, at the sole discretion of the Bank,

- (a) repay or procure the repayment of such amount of the Loan as is required to restore the Loan to value ratio as determined by the Bank;
- (b) mortgage additional property in favour of the Bank on the same terms as those that apply to the Mortgaged Property; or
- (c) provide any other asset acceptable to the Bank and create Security Interest over such asset to restore the Loan to value ratio as determined by the Bank.

In additions, the loan to value (LTV) of the Borrower shall be £ 65 (Sixty Five) % throughout the period of this Agreement.

## **12. Insurance**

- (a) The Borrower shall take out and renew insurance of the Mortgaged Property (if any), whether existing as at the date of this Agreement and/or to be constructed in the future, with one or more reliable insurance companies which is not under punishment pursuant to regulations of competent authority, provided that the Bank is named as a beneficiary as its interest may appear, so that the insurances are maintained in full force and effect throughout the time that the Loan owed by the Borrower to the Bank under the Finance Documents is outstanding. The insured amount shall at least be equal to the amount approved or determined by the Bank, without prejudice to the Bank's right to increase the insured amount to be higher than the specified amount if it deems appropriate. The Bank shall be named as a beneficiary in respect of each insurance policy. The Borrower shall deliver all insurance policies to the Bank within the time specified by the Bank. In case of any amendment or variation of the insurance policy, prior notice shall be given to the Bank and prior approval from the Bank is required. Within the time specified by the Bank, the Borrower shall deliver the amended policy and/or other evidence showing the amendment or variation of the policy to the Bank.
- (b) If the Borrower does not take action as required in paragraph (a) above and/or does not renew any insurance policy, the Bank may immediately take such action at its sole discretion. The Bank shall also have the discretion to advance any payment for the Borrower without prior notice and the Borrower shall be liable to all of the relevant costs and expenses. The Borrower agrees and acknowledges that this Agreement shall constitute a power-of-attorney by which it authorises the Bank as its attorney to do all necessary acts and things relating to the insurances on its behalf, including to execute and/or sign any necessary documents and to appoint a substitute as the Bank thinks fit to do such acts and things on the Bank's behalf. The Borrower shall not cancel, revoke or withhold those authorisations granted to the Bank by this Agreement for any reason.

## **13. Inspection of the Borrower's business**

The Borrower agrees that the Bank may access to the Borrower's books, accounts and records during the Borrower's normal working hours as the Bank may require, provided that such inspection shall not interrupt the Borrower's day-to-day operations and the Bank shall give the Borrower prior notice.

## **14. Further Assurances**

Each Obligor must, at its own expense, take whatever action any Finance Party may require for:

- creating, perfecting or protecting any security intended to be created by the Security Documents; or
- facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Bank or any of its delegates in respect of any Security Asset.

This includes:

- (a) the execution of any transfer, conveyance, assignment or assurance of any property, whether to the Bank or to its nominee; or
- (b) the giving of any notice, order or direction and the making of any registration.



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**15. Purpose of the Loan**

Any Loans received by the Borrower from the Bank under this Agreement must be used for the purpose stated in Clause 2.3 (*Purpose*) only. The Borrower shall not use the funds for any unauthorised purpose unless the Bank grants prior written consent.

**16. Compliance**

Each Obligor agrees (i) to comply with all applicable laws, rules and regulations of any relevant government agencies, the Stock Exchange of Thailand, authorities, corporations or entities as necessary for the operation of its business; and (ii) to apply for and maintain all necessary licences, certificates, consents or other documents necessary for the operation of its business.

This Agreement is made in duplicate with the same content. Having thoroughly read and understood the Agreement, the parties considered that the Agreement meet their intentions and, therefore, have hereunto affixed their signatures with the company's seals (if any) in the presence of witnesses on the above written date. Each party holds one copy of the Agreement.

**Borrower**

**FABRINET CO., LTD.**

By: /s/ Karnjana Srisukho  
Name: Mrs. Karnjana Srisukho  
Title:

**Bank**

**BANK OF AYUDHYA PUBLIC COMPANY LIMITED**

By: /s/ Chatchai Sroysuwan  
Name: Mr. Chatchai Sroysuwan  
Title:

By: /s/ Pratuang Teamkaew  
Name: Miss Pratuang Teamkaew

Witness /s/ Panjijit Srisuwacharee  
Panjijit Srisuwacharee

Witness /s/ Vana-Orn Daranond  
Vana-Orn Daranond