

APPLICATION FOR IRREVOCABLE LETTER OF CREDIT

HL BANK

20 Collyer Quay
#01-02 Tung Centre, Singapore 049319

Date :

HL Bank L/C No:

Dear Sirs,

We hereby request you to issue an Irrevocable Documentary Letter of Credit on the following terms and conditions by:

(Air) mail Full operative teletransmission Courier / Airmail with brief preadvice by teletransmission

Advising Bank:	Applicant:	
Beneficiary:	Amount:	
	Expiry Date in country of Beneficiary:	
Against the documents detailed herein and Beneficiary's draft(s) drawn on HL Bank at <input type="checkbox"/> sight <input type="checkbox"/> _____	Credit Available with nominated bank: <input type="checkbox"/> by payment at sight <input type="checkbox"/> by deferred payment at: _____ <input type="checkbox"/> by acceptance of drafts at: _____ <input type="checkbox"/> by negotiation	
Goods (Brief description without excessive details):	Terms: <input type="checkbox"/> CIF <input type="checkbox"/> CFR <input type="checkbox"/> FOB <input type="checkbox"/> _____	
Port of loading: _____ Port of discharge: _____	Partial shipment: <input type="checkbox"/> Allowed <input type="checkbox"/> Not allowed	
Place of receipt: _____ Place of final destination: _____	Transshipment: <input type="checkbox"/> Allowed <input type="checkbox"/> Not allowed	
Not later than:		
Documents Required:		
<input type="checkbox"/> Signed Commercial Invoice in _____ copies. <input type="checkbox"/> Full set plus 2 non-negotiable copies of Clean Shipped "on board" Ocean Bills of Lading made out to: <input type="checkbox"/> order of HL Bank marked "Freight Prepaid/Collect" and notify <input type="checkbox"/> applicant <input type="checkbox"/> _____ <input type="checkbox"/> order blank endorsed by shipper, marked "Freight Prepaid/Collect" and notify <input type="checkbox"/> applicant <input type="checkbox"/> _____ <input type="checkbox"/> Clean Airwaybill issued by the actual carrier or its agent, showing L/C No., date of despatch and flight No., marked "Freight Prepaid/Collect" and evidencing goods consigned to HL Bank, Singapore and notify the abovementioned applicant. <input type="checkbox"/> Insurance Policy or Certificate in duplicate, blank endorsed for 110% of invoice value covering the following risks: <input type="checkbox"/> Marine Institute Cargo Clauses <input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> Institute Air Cargo Clauses <input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> Institute War Clauses <input type="checkbox"/> Cargo <input type="checkbox"/> Air Cargo <input type="checkbox"/> Institute Strike, Riots and Civil Commotions Clauses. <input type="checkbox"/> _____ with claims payable in Singapore/ _____ in the currency of the draft. <input type="checkbox"/> Certificate of _____ Origin <input type="checkbox"/> Packing List <input type="checkbox"/> Weight Note <input type="checkbox"/> _____		
Additional Instructions:		
SPECIAL CONDITIONS		
(1) All charges outside Singapore are for account of <input type="checkbox"/> beneficiary <input type="checkbox"/> applicant. (2) Documents must be presented for negotiation within _____ days from date of shipment but within the validity of the credit. (3) All documents are to be sent to us in one lot by courier service. (4) Please debit all opening LC charges to our account.		
In consideration of your issuing the above Irrevocable Documentary of Credit, I/we hereby agree that this application is governed by all the conditions stipulated on the reverse of this application. This Credit will be subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision) International Chamber of Commerce Publication No 600 insofar as they are applicable.		
Name of Applicant :	FOR BANK'S USE ONLY	
Contact No. :	Signature verified by	Approved by
Authorized Signature(s) & Company Stamp		

Agreement and Indemnity relating to the issuing of Documentary Credits

In consideration of your issuing or establishing from time to time at our request such documentary credits ("credits") as you may think fit we hereby agree that the following agreements terms and conditions shall apply to all such credits;

- 1) Any such credit and the terms and conditions herein set out shall be subject to the Uniform Customs and Practice for Documentary Credits International Chamber of Commerce, Publication No. 600 ("UCP") or any future revision thereof except so far as is expressly stated herein. The terms used herein shall have the same meanings as are set out in the UCP.
- 2) We authorise you to accept and/or pay for our account against all documents purporting to be presented under this credit and, if applicable, all drafts purporting to be drawn under such credit.
- 3) We agree:
 - i. to accept and/or pay at maturity all drafts drawn or purporting to be drawn in accordance with the terms of any such credit;
 - ii. that you or a nominated bank shall have absolute discretion as to whether or not to negotiate any such drawings.
- 4) We undertake to indemnify you against all losses costs damages expenses claims demands which you may incur or sustain by reason of your issuing or establishing any such credit and to provide you with funds on demand with which to meet all payments made or to be made by you or by a nominated bank and all drafts drawn or accepted by you or by a nominated bank, together with all interest, commission charges disbursements and expenses of whatsoever nature due to or incurred or defrayed by you and/or your offices and by a nominated bank in relation to any such credit.
- 5) Notwithstanding Clause 4 above we authorise you to debit any of our accounts with you with all monies for which you may be or become liable to pay under or by virtue of any credit issued or established hereunder at such time or times as your liability in respect thereof shall be incurred whether or not prior to receipt by you of advice of payment or, at your discretion, at any time thereafter and we confirm that you shall not be under any obligation to give us notice of such debit either before or after the same is made.
- 6) We agree that you or your officers or a nominated bank or any person firm or company who shall make any payment or accept any bill of exchange in consequence of any such credit shall only be bound to examine with reasonable care the drafts and documents issued under any such credit to ascertain that they appear on their face to be in accordance with the terms and conditions of the credit and that in particular but without in any way limiting the foregoing neither you or nor any such officer person firm or company nor a nominated bank shall be responsible for:-
 - i. The correctness of the description quantity quality or value of the goods or of the charges as stated in invoices or bills of lading or other documents;
 - ii. The validity accuracy genuineness terms conditions or sufficiency of any documents tendered;
 - iii. The terms and conditions or sufficiency of any insurance of the goods;
 - iv. Delays or errors in transmission or non-delivery of telegrams or other mechanically transmitted messages to or from the nominated bank or for delays in transmission or loss of documents through the post or for delays loss or damage to goods;
 - v. Errors in transaction or in interpretation of technical terms or from any ambiguity in our instructions; or
 - vi. Act, error, neglect, default, omission, insolvency of failure in the business of the nominated bank.
- 7) We further agree to the following conditions:-
 - i. We charge and agree to charge by way of first fixed charge all the goods (described overleaf) to you as a continuing security for the discharge of our obligations in respect of the credit applied for overleaf ("Obligations").
 - ii. We warrant that we are, or will following shipment of the goods be the sole owner of the goods.
 - iii. We shall not without your prior written consent create encumbrance of any kind over or dispose of the goods or any of them.
 - iv. You shall have the right at any time to take possession of the goods. You may dispose of the goods or any of them in the manner and on the terms (including consideration) as you think fit, at any time after we are in any way in default in performing any Obligations. You may (a) apply the net proceeds of the disposal in or towards the discharge of the Obligations (whether actual or contingent, present or future), and for such purpose effect any necessary currency conversions at the relevant exchange rates quoted by you; or (b) hold the same in a non-interest-bearing suspense account for so long you think fit. We undertake to pay you on demand the amount of any deficiency remaining after such sale together with all usual commission charges and expenses and interest at a rate to be determined by you with a minimum of five percent.
 - v. We by way of security irrevocably appoint you and such of your officers as may from time to time be in charge of our accounts to be our agent in our name to execute and deliver all documents and do all acts as you or such officer deems desirable for perfecting your security over the goods or for the purpose of

exercising any rights hereunder including transferring property in the goods to the purchaser thereof.

- vi. In favour of purchasers, any disposal by you of the goods shall be deemed to be within your rights hereunder and to be valid and effectual accordingly.
 - vii. We shall on demand fully indemnify you against all liabilities and expenses of whatsoever nature (including legal costs) incurred by you in perfecting or exercising any rights hereunder and in respect of any action or omission relating to the goods including any claim against you by reason of any defect in our title to the goods.
 - viii. Save for wilful default, you shall not be liable for any loss which may arise in any exercise of your rights, nor shall you be liable by reason of your taking possession of the goods to account for any monies except actual receipts.
 - ix. This charge is in addition to and shall not affect or be affected by any other securities, rights or remedies which you may at any time hold in respect of any obligations owing by us to you. Your rights shall not be discharged or affected by amendments to the Credit or any other matter whatsoever.
- 8) i. We undertake:
- a. To provide in the manner and to the extent required by you all in insurance necessary for the full protection of your interests in the goods consigned under any such documentary credit,
 - b. Subject to your instructions at our cost to prosecute or to ensure the prosecution of any claim that may arise under any such insurance and
 - c. In the event that any monies arising under such insurance are paid to us forthwith to pay them to you without deduction or retention and until so paid to hold such monies to your order and on your behalf.
- ii. We authorize you to retain all monies arising under such insurance whether paid directly to you by the insurers or by us and in your absolute discretion to retain such monies until all the sums payable in respect of any documentary credit have been paid or to set off such monies against any monies from time to time owing under such documentary credits whether then due and owing or not.
- 9) All documents received by you or a nominated bank under any such credit and the goods represented thereby shall be held by you and be pledged to you as continuing security for the due payment by us of all monies due to you by us in respect of credits issued and of the monies hereinbefore mentioned and of all our indebtedness or liability to you from time to time on any account.
- 10) On arrival of the goods you shall be at liberty to have them warehoused in your name and insured against fire but without obligation on you to so warehouse and insure and you will be in no way responsible for any loss or damage entailed through your omission to so warehouse and insure.
- 11) The rights and powers conferred by this agreement are in addition and without prejudice to any other securities which you may now or hereafter hold for our account and this agreement shall continue in force and be applicable to all transactions notwithstanding any change in the status or constitution of our company or the individuals composing our firm (as the case may be) or otherwise.
- 12) You may restrict negotiations under any such credit to your own offices or to any correspondent of your choice.
- 13) The agreement and conditions herein shall be subject to such further or other terms and conditions that may be agreed upon in respect of any individual credit that you may at any time issue at our request.
- 14) For the purposes of any such credit, the date of any bill of lading shall be deemed to be conclusive of the date of shipment and the absence in any bill of lading of any positive evidence of transhipment shall, in your favour, be conclusive that transhipment has not taken place.
- 15) On no account shall any claim be made against the Bank after the draft has been accepted or paid by us.
- 16) That all documentary credits shall be issued entirely at our own risk and that we will honour all drafts presented thereunder even should the goods not arrive or be refused landing whether through any act of war of prohibition or restriction imposed by bye-laws, regulations, ordinances, statutes or executive decisions whether of the control of local government or for any other reason.
- 17) This agreement and all contracts arising out of it are to be construed according to Singapore Law.
- 18) You are to be at liberty at any time to determine any such documentary credit other than an irrevocable documentary credit.
- 19) We undertake to sign, execute and deliver any transfers, deeds or documents which you may require us to sign, execute and deliver for perfecting your title to the goods and the said documents and for vesting the same to any purchaser or purchasers from you.
- 20) That you may in your discretion and without giving notice to us convert into Singapore dollars equivalent all drafts and documents negotiated under this credit at the prevailing rate of exchange at any time after the receipt of the relative drafts and documents.