

Terms and Conditions for Letter of Credit (Export Documents Processing) (the “Agreement”)

1. We hereby undertake to provide the Bank with funds to meet on demand all drafts and/or documents negotiated/paid/accepted/deferred payment undertaken by the Bank at our request which may be dishonoured on presentation for acceptance or which may not be paid on sight or on the due date according to its tenor. The Bank’s rights against us shall not be prejudiced owing to any such drafts and/or documents not having been noted and/or protested in the event of dishonour by non-acceptance and/or non-payment and to reimburse the Bank for all financing or payments made against documents of title or other documents which may not have been duly taken up on presentation to the confirming or issuing bank.
2. It is understood and agreed that for the purpose of presenting and/or collecting any document, the Bank may forward the same to any agent of the Bank’s own selection, who may collect the document through one or more sub-agents selected by it or by any sub-agent; and the Bank’s liability is limited to due diligence in selecting those to whom the documents are forwarded by the Bank. The Bank may, however, without liability on its part, forward any documents for presentation and/or collection directly to the issuing or confirming bank; and the Bank, or any collecting agent or sub-agent, may accept drafts in payment of any documents. The Bank shall not be responsible for loss of any kind due to the acts of negligence of any such agents or sub-agents or for loss in or through the mails or for any failure to present, demand or collect; or protest or give notice of protest or dishonour of any document.
3. The Bank is under no duty or responsibility to check the drafts/documents enclosed herein unless the Bank agree to negotiate the said drafts/documents and, if the Bank do, we shall not hold the Bank responsible nor is the Bank’s right of recourse prejudiced in any way in the event that the documents are found by a court of law or tribunal to contain discrepancies or in the event that any discrepancies are not identified by the Bank, its servants, employees or agent, whether or not as a result of a wilful or negligent act or omission.
4. We shall pay all interest and charges applicable to any processing which the Bank may undertake pursuant to our request at such rates and for such periods as the Bank may from time to time determine.
5. We also irrevocably and unconditionally undertake and agree that where any goods and services tax or other taxes levies or charges whatsoever are now or hereafter required imposed or enforced by law (including the Goods and Services Tax Act (Cap 117A)) or required to be paid on or in respect of any monies (including fees payable to the Bank or its agent banks or any fees costs and expenses incurred by the Bank or its agent banks), they shall be borne by or chargeable to us and payable by us to the Bank on demand in addition to all other monies payable to the Bank and the Bank is entitled to debit any of our account with the Bank for payment of the Bank’s commission, expenses, costs (legal or otherwise) and agent charges if any together with such taxes under or in connection with or in respect of this Agreement and the transactions contemplated thereunder.
6. The Bank is authorised at its discretion to insure the Goods financed by the Bank hereunder naming itself as the loss payee with an insurer of its choice.

Furthermore, it is understood and agreed that neither the Bank nor any of its correspondents assume any responsibility for failure to procure any insurance or for the sufficiency or adequacy of any insurance obtained or for any delay in, or prohibition of, the conversion of the proceeds of any claims recovered under such insurance, or for the failure to recover any loss because of lack of exchange. Should any claim arise under any insurance the Bank is authorised to recover the full amount thereof, we agree to assign to the Bank the policy or policies for that purpose and to take all necessary steps to effect such assignment.

7. Any handling of documents under the Letter of Credit (whether by way of negotiation or otherwise) should be subject to the Uniform Customs and Practice for Documentary Credits, ICC Publication No. 600 or such later version of the document in force at the time of our request ("UCP"). Any bank to bank reimbursements shall be subject to the Uniform Rules for Bank to Bank Reimbursement under Documentary Credits ICC Publication No. 725 ("the Uniform Rules for Bank to Bank Reimbursement under Documentary Credits") or such later version of the document in force at the time of our request. In the event of any inconsistency between the provisions of this Agreement and the provisions of UCP or (as the case may be) the Uniform Rules for Bank to Bank Reimbursement under Documentary Credits, the provisions of this Agreement shall prevail.
8. In the event that the Bank are requested by us to present drafts and/or documents under the Letter of Credit to the Issuing Bank, we may further request that the proceeds under the Letter of Credit be advanced to us at any time before or on the banking day on which reimbursement is due to the Bank from the issuing or confirming bank. In the event that such a request is made and acceded to, the Bank shall be entitled to advance to us such proceeds on or before the banking day on which reimbursement is due to the Bank and thereby assume the rights under the Letter of Credit as a negotiating bank and charge us negotiation commission and other fees as the Bank deems appropriate.
9. The Letter of Credit together with drafts, invoices, carriage documents or other documents representing or relating to the Goods, and all other documents enclosed with the request which we have attached to our application for payment/ acceptance/ deferred payment/ negotiation/ the Bank's handling (hereinafter collectively referred to as "processing") and the Goods represented by the said documents or financed by the Letter of Credit or to which the documents relate as well as any proceeds received under the Letter of Credit pursuant to our request shall be pledged to or otherwise encumbered as security in favour of the bank the Bank as continuing security for all sums in which we may from time to time be actually or contingently indebted or liable to the Bank on any account. We agree to do such acts as may be necessary to perfect the Bank's security in the Goods. Without prejudice to the Bank's other rights herein, in the event that we are in default of payment of any amount due from us, the Bank shall be entitled, without notice to ourselves, to sell the Goods or any part thereof by public auction or private contract (at the Bank's sole discretion) and apply the proceeds of sale in or towards payment of the principal and interest for which we are liable to the Bank; if the proceeds of such sale do not fully cover any amount due to the Bank, we shall pay the amount of the deficiency forthwith upon the Bank's demand. The security conferred herein shall be in addition to and shall not be in any way prejudiced or

affected by any other security now or hereafter held by the Bank nor shall such other security or any lien to which the Bank may be otherwise entitled.

10. Without prejudice to the other provisions in this Agreement, the Bank may sell all or part of the Goods represented by the abovementioned documents or to which they relate in such manner (whether by public auction, private treaty or otherwise) as the Bank think fit if any one of the following events occurs:-
- (a) on default of acceptance or payment upon presentation of drafts and/or documents.
 - (b) on our failure to repay on demand any payment made by the Bank or other indebtedness of ours to the Bank (whether or not connected with or arising from our request) together with all interest, commissions and other charges in respect thereof.
 - (c) if and whenever the Bank consider it desirable having regard to the market value of the goods that the goods should be sold whether or not any contingent or other liability of ours to the Bank shall have actually matured.

After deduction of any interest charges and commission to which the Bank is entitled and expenses incurred by the sale, the Bank may apply the net proceeds in payment of such advances or indebtedness or liability of ours to the Bank, with interest, and re-exchange expenses, with the balance, if any, is to be used at the Bank's option to discharge any other outstanding liability which we may have against the Bank and subject thereto to be accounted to us.

11. Without prejudice to any other terms and conditions herein, where, for any reason whatsoever, whether with or without legal basis, payment of the proceeds under the Letter of Credit or drafts is not received by the Bank from or not made by the issuing or confirming bank when such payment is due or if the issuing or confirming bank of the Letter of Credit seeks reimbursement of any payment made to the Bank thereunder and / or reject documents or drafts presented thereunder or if one or more of the documents presented under the Letter of Credit is forged or contains any misrepresentation or false factual information known to us, any amount paid by the Bank to us pursuant to such negotiation shall become immediately repayable to the Bank by us and the Bank shall have full recourse against us in respect of such payment as has been made to us earlier.
12. We hereby irrevocably and unconditionally undertake and agree to indemnify the Bank, the Bank's successors and assigns in full and at all times to keep the Bank, the Bank's successors and assigns fully and completely indemnified from and against all liability, claims, demands, actions, proceedings, payments (including but not limited to payments under the Letter of Credit), losses and expenses whatsoever including but not limited to legal costs as between solicitor and client which may be made or taken or incurred or suffered by the Bank in connection with our request herein including but not limited to those liabilities relating to or arising from any and all discrepancies that may exist between the documents as called for in the terms of the Letter of Credit and the documents enclosed with our application, regardless of whether or not such discrepancies are identified or advised by the Bank.
13. In addition to any general lien, right of set-off or any other right to which the Bank may be entitled by law or contract, the Bank may at any time at the Bank's discretion

and without notice to us earmark, debit, set off or transfer any sum or sums standing to the credit of our account from time to time (including but not limited to any fixed deposit account, notwithstanding that any deposit on such fixed deposit account has not matured or any of the special conditions applicable to the deposit have not been satisfied) in or towards payment or satisfaction of all sums due from us hereunder or for the amount of unaccepted or unpaid drafts or of advances against documents of title or other documents for which we are liable to the Bank or any deficiency arising after realization of the Goods. Any and all currency conversions shall be at the Bank's prevailing foreign exchange rate unless otherwise arranged beforehand.

14. Without prejudice to the generality of the other terms and conditions herein, where financing is provided to us against the Letter of Credit and documents presented thereunder and/or drafts, pursuant to our application, we shall and do hereby assign unconditionally and irrevocably to the Bank all rights, interests, benefits, entitlements, debts, suits and choses in action as are due under the Letter of Credit and/or drafts and we irrevocably authorise the Bank to give notice of such assignment to the issuing bank. We agree that the Bank may commence any legal action or proceedings in our name or in the Bank's and our names jointly as instructed by the Bank if necessary and that we would provide the Bank our full and diligent co-operation, including but not limited to the execution of any documents, affidavits and powers of attorney, in any action or proceedings commenced (whether in our name or not) to enforce or obtain payment from the issuing or confirming bank whether pursuant to this assignment or otherwise.
15. The Bank may at any time assign all or part of the Bank's rights under this Agreement. Without prejudice to any other right to disclose information under the Banking Act (Cap 19), the Bank may also disclose to any person to whom the Bank consider such information to be necessary or expedient, such information about us as the Bank shall consider appropriate (including but not limited to particulars of our accounts with the Bank).
16. Pursuant to any sanctions now and from time to time imposed by the United States of America, the European Union, the United Nations and/or any other regulatory or supervisory authority or body, the Bank shall not examine, accept, reject, discount or otherwise handle or deal with any documents, shipments, goods, payments and/or transactions in connection therewith that may relate, whether directly or indirectly, to any sanctioned countries, persons and/or parties. Accordingly, any presentation that may violate any of the aforesaid sanctions and/or applicable laws giving effect to the same may be rejected at the Bank's sole discretion without any liability whatsoever on the Bank's part.
17. We irrevocably consent to the disclosure by the Bank, the Bank's officers, agents and overseas branches, in any manner howsoever, of any account information relating to us including but not limited to details of our facilities, the securities taken, our credit balances and deposit with the Bank to (i) the Bank's head office, any of the Bank's representatives, documents checking and processing centres and branch offices in any jurisdiction, affiliates, (ii) any regulatory or supervisory authority including fiscal authority in any jurisdiction, (iii) any potential assignee of the Bank or any other participant in any of the Bank's rights and/or obligations in relation to our facilities, (iv) any guarantors, third party pledgors or security providers and the Bank's agents and independent contractors, (v) any insurers with whom insurance

cover is taken out in connection with our application, and (vi) any third party for use in connection with the provision of Bank's products or services.

18. If there occurs in relation to the presentation under Letter of Credit / negotiation of or advance against the Letter of Credit an extraordinary event (as defined below), the Bank shall have the sole discretion to receive payment under the Letter of Credit in any alternative currency at such exchange rate as the Bank may determine in the Bank's discretion. Provided the Bank undertake such action in good faith, any such action shall be binding on us who shall be liable for any additional loss, damages, costs, charges and/or expenses incurred by the Bank. An "extraordinary event" shall mean any event which the Bank believes to have a material adverse effect, including any form of exchange control restriction or requirement of whatsoever nature affecting the availability, convertibility, credit or transfers of currencies or funds, any form of debt or other moratorium on jurisdictions, individuals, or entities, any devaluation, re-denomination or de-monetisation and/or any form of restriction or requirement which in the Bank's good faith opinion adversely alters or changes the rights or obligations which the Bank undertook when the Bank makes an advance pursuant to our application under the presentation under Letter of Credit/ upon negotiation of the Letter of Credit.
19. Each of the provisions of this Agreement shall be several and distinct from one another. If any one or more of the provisions contained in this Agreement shall be deemed invalid, unlawful or unenforceable in any respect under any applicable law, the validity, legality and enforceability of each of the remaining provisions contained herein shall not in any way be affected, prejudiced or impaired thereby.
20. A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act (Cap 53B) to enforce any of the terms and conditions herein.
21. This Agreement shall be governed by and construed in accordance with the laws of Singapore. We agree to submit to the non-exclusive jurisdiction of the courts in Singapore in respect of any disputes arising out of or in connection with this Agreement. Without prejudice to the foregoing, we undertake not to commence proceedings or suits against the Bank in the courts of any other jurisdiction. In the event of any proceedings or suits commenced by us against the Bank, we agree that Singapore Courts shall have exclusive jurisdiction in respect of any disputes arising out of or in connection with this Agreement. We agree to waive and do so waive any right vested on us by the laws of the jurisdiction in which we carry on business to challenge the validity or legality of any part of this provision.