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Trade-i Terms and Conditions (TTC) (Islamic)

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1.0 APPLICATION OF TTC TO TRADE-i PRODUCTS

These Trade-i Terms and Conditions (“TTC”, “this document”, “these terms” which are subject to amendment from time to time by you), shall be read together with and from an integral part of the prevailing Application Form(s) and / or document(s) (“Forms”) of Hong Leong Islamic Bank Berhad (HLISB) (as the case may be) (“the Bank”, “You”, “Your”) as submitted by the Customer (“Customer”, “We”, “Us”, “Our”) from time to time in applying for the usage / utilisation of any of the Bank’s Trade-i Products (being, but not limited to, any Islamic trade related product, service or facility provided by you enabling or in connection with the purchase, sale, storage, release, preparation or shipment of, or other dealings in, goods or services).

Amendments to these TTCs may be made by you in such reasonable manner and with such notice period as you deem reasonable given the circumstances in which the amendments are being made, including publication on your website, included in any account or other statements sent to us or by general notice indicated or displayed in your business premises or sent to us electronically via email or any other such means (including social media).

We acknowledge you do not offer any advice to customers in relation to Trade-i Products. While the Bank may provide information or express opinions at our request, we recognise that such information or opinions are not at any time offered as advice. We are to make our own appropriate enquiries and assessments and shall place no reliance on the Bank. We are to read and understand the terms herein and in relation to any Trade-i Product and are to seek our own professional legal and financial advice in relation thereto.

1.1 *Any application for and usage of a Trade-i Product for the benefit of a person permitted by you at our request (“user”) shall be treated at all times as if on our application (including where such terms involve indemnities to you, which you may treat as having been given by us, in addition to by our user) with our obligation being primary and direct. This is regardless of, and without prejudice to, whether the Bank has any concurrent direct or indirect rights of recourse howsoever described against our user.*

When we (or our user, whose actions you may take as our own) make any application for a Trade-i Product for the benefit of our user:

- a. we confirm (and we will procure the concurrent understanding of our user) that you have no obligation to obtain instructions from the user and the Bank may choose to deal solely with us only should you decide to;*
- b. references in these TTC to us as customer presenting, handling, disposing,*

transferring, dealing with or using (howsoever described) the relevant documents, goods or proceeds of sale shall include the user equally undertaking any such action;

- c. we will procure that the user complies with all terms of and undertakings in these TTCs and in respect of the Trade-i Product, its documents, goods and proceeds of sale; and*
- d. each representation or undertaking in these TTCs in relation to a user shall be deemed made by us and bind us and our user.*

1.2 *The TTC is to be read jointly with the terms of and superseded (if applicable) as stipulated in the letter of offer and/or facilities agreement (howsoever described, if any) (“**Facilities Terms**”) on which Trade-i Product(s) have been granted to us.*

1.3 *All pricing shall be as stipulated in the Bank’s standard Trade-i Fees and Charges, unless specific pricing for the Trade-i Product had been separately agreed, whether in the Facilities Terms on which Trade-i Product(s) has been granted or made available to us. Where any pricing or rate as stipulated in these terms is inconsistent with the Trade-i Fees and Charges, the Trade-i Fees and Charges is to prevail. The pricing or rate in the Facilities Terms shall prevail over both in the case of any inconsistency.*

1.4 *Where Forms are submitted by us via the Bank’s Trade Upload (TU) channel, we are aware that our use of the channel shall also be subjected to terms and conditions incorporated per the website link below (as updated and or revised from time to time):-*

https://www.hlb.com.my/Connect_First/HL_ConnectFirst_TC.pdf

and we acknowledge we shall be bound thereby.

2.0 TERMS APPLICABLE TO ALL TRADE-i PRODUCTS

2.1 Undertaking

- a. In seeking usage of any of the Trade-i Products, we on each application for usage certify and acknowledge that:*
 - i. any financing we apply for covers a genuine transaction and we confirm the accuracy of the information contained in documents submitted;*
 - ii. we have not applied for nor obtained and will not obtain another source of financing for the trade transaction concerned, including financing pursuant to a lease, hire purchase or factoring agreement; and*
 - iii. unless we have been permitted by the Bank to present for financing transactions involving our related or associated companies, we declare that the buyers/sellers/suppliers pertaining to each transaction are not our related or associated companies.*
- b. The Bank may select any correspondent or agent or third party service provider in relation to a Trade-i Product and shall not be liable for any negligence, default, omission, failure to act, mistake or fraud of any correspondent, agent or third party service*

provider selected in good faith by the Bank. The Bank shall also not be liable for any loss we may suffer or incur arising from the insolvency, liquidation, suspension or similar event of any correspondent, agent or third party service provider.

- c. *Every communication between us and the Bank shall be in writing. Notices from the Bank to us may be sent by prepaid normal post, email, facsimile or such other means as are agreed from time to time, to the last postal address, email address, facsimile number or contact details notified by us to the Bank. Any change of our address, facsimile or contact details shall only become effective upon us providing the Bank (addressed to the Trade Services Department, Head Office) with at least fourteen (14) days prior written notice of such change. All notices and communication by the Bank to us shall be deemed to have been received by us:-*
- i. *if sent by normal post, on the second day after posting, or*
 - ii. *if given or made by email, facsimile or other electronic means, at the time of successful transmission (or the following Business Day if it was transmitted on a day which was not a Business Day). [For the purpose of these terms, “**Business Day**” means the day(s) that the Bank is open for business in Kuala Lumpur, Malaysia].*
- d. *We have obtained the consent of all persons named in the Forms, supporting documents and all other related documents submitted to the Bank in connection with our application for a Trade-i Product for the Bank’s collection, holding and use of the personal information in accordance with the Bank’s Privacy Notice** as may be amended from time to time. As the Bank relies on correct and complete information to be provided by us, our continued representation and warranty that all necessary consents have been duly obtained shall also be relied on by the Bank to ensure compliance with the Personal Data Protection Act 2010.*
- **“**Privacy Notice**” shall mean the Bank’s policies and principles pertaining to the collection, use and storage of personal information of existing and prospective individuals and entities dealing with the Bank as may be amended from time to time and made available at the Bank’s website (www.hlisb.com.my) or in such manner as the Bank deems appropriate from time to time.*
- e. *In respect of every request for usage submitted to the Bank as follows:*
- i. *We do not have or foresee having any overdue facility with any bank / financial institution.*
 - ii. *We are compliant, and irrevocably undertake to keep ourselves up-to-date and comply at all times, with the Foreign Exchange Notices (“**FE Notices**”) issued by Bank Negara Malaysia (BNM) as may be amended or supplemented by BNM from time to time, relating to dealings in currency, borrowing and guarantee, investment in foreign currency asset, payments, security and financial instrument and export of goods. This includes other laws or regulations of similar effect (including all amendments from time to time).*

- f. *In addition to the permitted disclosures provided under Schedule 11 of the Islamic Financial Services Act 2013 (“IFSA”), we irrevocably authorise and permit the Bank, its officers and employees to disclose and furnish all information concerning this document, the services, our present and future accounts and any other matters relating to us or our business and operations to:*
- i. *other financial institutions granting or intending to grant any credit facilities to us, the Credit Bureau or any other central credit bureau established by Bank Negara Malaysia, Cagamas Berhad, Credit Guarantee Corporation, the Employees Provident Fund, any other relevant authority as may be authorised by law to obtain such information or such authorities/agencies established by Bank Negara Malaysia or any agency established by the Association of Banks in Malaysia (ABM) or the Association of Islamic Banking and Financial Institutions Malaysi (AIBIM);*
 - ii. *any current or future corporation which may be associated with or related to the Bank (as defined in the Companies Act 2016), including representative and branch offices and their respective representatives as well as subsidiaries of the Bank’s holding company and the subsidiaries of Hong Leong Bank Berhad’s holding company;*
 - iii. *the counter parties or any party howsoever connected to the services and/or related documents or any party providing security in respect of the services;*
 - iv. *the Bank’s auditors, solicitors and/or other agents in connection with the recovery of moneys due and payable hereunder; and*
 - v. *the Bank’s professional advisers, service providers, nominees, agents, contractors or third party service providers who are involved in the provision of products and services to or by the Bank and its related or associated companies*
 - vi. *any party the Bank may engage with for dealing with refinancing of trade receivables in the secondary market.*
- g. *We irrevocably consent to such disclosure and confirm that, save and except for damages arising directly from the Bank’s wilful default or gross negligence, the Bank, its officers and employees shall be under no liability for furnishing such information or for the consequences of any reliance which may be placed on the information so furnished.*
- h. *We authorise and consent to the Bank obtaining any other information about us from any credit reference agency or sources and at any time as the Bank considers appropriate.*

We agree that the Bank in providing any Trade-i Product assumes no liability or responsibility to us or any third party for the consequences of delay, loss in transit, mutilation or other errors arising in the transmission of any document, if that document is transmitted or sent according to the requirements stated therein or in accordance with the Bank’s usual procedures, or when the Bank may have taken the initiative in the choice of the delivery service in the absence of instructions to that effect. We agree that you assume no liability or responsibility for errors in translation or interpretation of

technical terms and may transmit all or any part of the document text without translating it.

- i. *If you use any payment or messaging platform for the purposes of issuing any instrument or letter of credit, making or receiving payment, handling documents or goods or for any other purpose in relation to a Trade-i Product, we agree that you shall do so at our cost and risk and the Bank shall assume no liability or responsibility should any instructions which you give to any party not be carried out even if the choice of such platform was yours. A "payment or messaging platform" shall include any electronic platform used by the Bank, us or any other person for giving or receiving any payment, instruction, claim or other communication in relation to a Trade-i Product.*

- j. *Government Taxes and/or statutory / regulatory imposed charges, fees etc:*
 - i. *For the purposes of these terms: (i) "Tax" means any present or future, direct or indirect, Malaysian or foreign tax, levy, impost, duty, charge, fee, deduction or withholding of any nature, that is imposed by any Appropriate Authority, including without limitation, any consumption tax and other taxes by whatever name called, and any interest, fines or penalties in respect thereof; and (ii) "Appropriate Authority" means any government or taxing authority.*

 - ii. *The fees, charges and all other monies to be paid by us to the Bank under these terms, any related form(s), document(s) and/or security documents and/or the services for a Trade-i Product, including any amount representing reimbursements to be paid by us to the Bank, are exclusive of any Tax, and shall be paid without any set-off, restriction or condition and without any deduction for or on account of any counterclaim or any deduction or withholding.*

 - iii. *In the event if we are required by law to make any deduction or withholding from the fees, charges and/or all other monies payable to the Bank under this document, any related form(s), documents(s) and/or security document(s) and/or the services in respect of any Tax or otherwise, the sum payable by us in respect of which the deduction or withholding is required shall be increased so that the net fee/charge and/or the net amount of monies received by the Bank is equal to that which the Bank would otherwise have received had no deduction or withholding been required or made.*

 - iv. *In addition to the fees, charges and all other monies payable, we will pay to the Bank all applicable Tax at the relevant prevailing rate and/or such amount as is determined by the Bank to cover any Tax payments/liabilities/obligations in connection therewith, without any set-off, restriction or condition and without any deduction for or on account of any counterclaim or any deduction or withholding, apart from any Taxes which may be required under any laws to be paid by us directly to any Appropriate Authority, which we will shall remit directly to the Appropriate Authority.*

 - v. *If at any time an adjustment is made or required to be made between the Bank and the relevant taxing authority on account of any amount paid as Tax as a*

consequence of any supply made or deemed to be made or other matter in connection with this document, any related form(s), document(s) and/or security document(s) and/or the services by the Bank, a corresponding adjustment may at the Bank's discretion be made as between the Bank and us and in such event, any payment necessary to give effect to the adjustment shall be made.

- vi. All Tax as shall be payable by us to the Bank as herein provided shall be paid at such times and in such manner as shall be requested by the Bank. We authorise you to debit our account for all Tax payable and other charges incurred by you.*
- vii. We agree to do all things reasonably requested by the Bank to assist the Bank in complying with its obligations under any applicable legislation under which any Tax is imposed. In the event a new Tax is introduced and such Tax is required to be charged on or in relation to any Trade-i Product provided, we agree to provide our fullest cooperation to the Bank in assisting the Bank in complying with its obligations under the relevant laws.*
- viii. For the avoidance of doubt, we agree that any sum payable or amount to be used in the calculation of a sum payable expressed elsewhere in these terms, any related form(s), document(s) and/or security document(s) has been determined without regard to and does not include amounts to be added on under this clause on account of Tax.*

k. If any provision of these TTCs is or becomes for any reason whatsoever invalid, illegal or unenforceable, it shall be severable from the document and shall be deemed to be deleted from it and the validity of the remaining provisions shall not be affected in any way.

l. Limitation on Liability

- i. You shall not be liable for any loss, damages, demands, claims, expenses or costs suffered or incurred by us (including any of our users) arising from or in connection with these TTCs or usage of any Trade-i Product other than where such loss, damage, payment, demand, claim, expense or cost arises as a direct result of your gross negligence or wilful misconduct.*
- ii. Notwithstanding item i above, you will not be liable to us (including any of our users) for:*
 - (a) any loss of business, profits or data; or*
 - (b) indirect, consequential or special loss or damage, whether or not you had been advised of the possibility of such loss or damage.*

- iii. *Without limiting items i and ii above, you shall not be responsible or liable for, and we waive all claims against you in respect of:*
- (a) *any act, omission, loss or delay relating to forwarding or collection of documents or payments to or by any person or correspondent bank, or any suspense, act, omission, insolvency or bankruptcy of any correspondent bank, correspondent(s), agent(s), sub-agent(s), third party service provider(s) or representative(s) thereof;*
 - (b) *any delay in performing or failure to perform any of your obligations under these terms due to any cause beyond reasonable control, including, but not limited to, the failure, malfunction or unavailability of telecommunications, data communications and computer systems and services over which you have no control, war, hostilities, invasion, civil unrest, strikes, lock-outs or other industrial action or trade disputes (whether your employees or any other person) or any law or government order (whether or not having the force of law);*
 - (c) *any failure by you to pay on any demand, request for payment or for acceptance and payment, claim, presentation or drawing made in respect of a Trade-i Product by a beneficiary, us or any other person, or other act or failure to act because of any domestic or foreign law, regulation, ruling or interpretation of any domestic or foreign court or governmental agency;*
 - (d) *the form, sufficiency, correctness, genuineness, authority of any person signing or endorsing (including any person making presentations, demands, giving instructions (including by electronic means) to you purportedly on our authority or that of a beneficiary), falsification, or the legal effect of, any documents if such documents on their face reasonably appear to be in order;*
 - (e) *the source, accuracy, validity, authenticity, falsification or legal effect of any data, documents or statements made, presented or received from any messaging platform or any party to a trade transaction, any related documents, or the description, quantity, weight, quality, condition, packing, delivery, value or existence of the goods, services or other performance to which such data, documents or statements relates, or for the good faith or acts or omissions, solvency, performance or standing of any party to a trade transaction, the consignor, carrier, forwarder, consignee, insurer of the goods, or any other person;*
 - (f) *any improper acts of the beneficiary, including breach of contract in respect of a trade transaction, in which circumstances we assume and undertake all such risks.*

- m. *We shall not, knowingly engage in any business or transaction with countries or entities that may violate or breach any sanctions, anti-money laundering or counter-terrorist financing laws, regulations, rules, guidelines and procedures promulgated by the United Nations, the European Union, the United States of America, the United Kingdom and all other jurisdictions (“Sanctions”) to which the Bank and/or the transaction(s) is/are subject and/or which may be relevant to the Bank and/or the transaction(s).*
- n. *We declare that our directors / shareholders are not connected parties under the definition of the Islamic Financial Services Act 2013 (“IFSA”) and Bank Negara Malaysia’s Guidelines on Credit Transactions and Exposures with Connected Parties (“Guidelines”), as amended or supplemented from time to time and the regulations/orders issued by thereunder, which includes but is not limited to, a spouse, child, parent or financial dependent of the Bank’s director, executive officer or credit-approving/appraising/reviewing officer. If at any time there is a breach of the above, we must notify the Bank in writing immediately.*
- o. *All our trade transactions do not infringe the Strategic Trade Act 2010 (“STA”), as amended or supplemented from time to time and the regulations/orders issued by thereunder. All necessary permits, licenses, registration, and approvals required under the STA for our trade transactions, exports, transshipment or transit of goods (including technology) and related documents have been obtained and are in full force and effect. A copy of the relevant permit, registration or approval shall be produced to the Bank as and when any transaction involving strategic items or restricted activity is submitted to the Bank.*
- p. *These TTCs and all Trade-i Products provided hereunder shall be subject to the laws of Malaysia and directives of regulatory bodies of Malaysia. We submit to the non-exclusive jurisdiction of the courts of Malaysia.*

3.0 TERMS APPLICABLE TO ISLAMIC TRADE PRODUCTS (HLISB)

3.1. Accepted Bills-i (AB-i)

3.1.1. Undertaking

Please refer to Section 2.1. for the undertakings applicable to all Trade-i products.

3.2. Bank Guarantee (BG-i)

3.2.1 Undertaking

In consideration of you (the Bank) at our request issuing the BG-i as per the format attached to or accompanying our Application Form and/or acceding to our request/the beneficiary’s request in any manner in respect of the wording/text of the BG-i issued by you, we hereby irrevocably agree covenant and undertake that for so long as you remain liable or may remain liable under the BG-i:

- a. *we shall continue to be liable to you in respect of the BG-i and we shall not be considered released or discharged from our liability to you in respect of all whatsoever matters howsoever related to the BG-i;*
- b. *we shall continue to pay you the commission for the BG-i for as long as we are advised by you to do so;*
- c. *the security provided by us and/or third party(ies) to secure our liability to you under the BG-i shall not be released or discharged until you agree to such release or discharge.*

3.2.2. Indemnity

Our application for a BG-i issuance shall be subject to the following terms and conditions:

- a. *In consideration of your issuing at my/our request a BG-i in favour of beneficiary/ies, (hereinafter called the “said Guarantee(s)”, which definition shall extend to all bank guarantee(s) issued in renewal, extension or substitution of the said Guarantee(s)), we irrevocably: -*
 - i. *undertake to indemnify you and save you harmless from any and all action, claim, demand, damage, liability, loss, costs and expense (including without limitation legal fees on a solicitor and own client basis) that may arise or which you may howsoever suffer or incur at any time(s) in connection with the said Guarantee(s) or any of them (including without limitation any costs and expenses in enforcing or attempting to enforce this indemnity and (in respect of the said Guarantee(s) issued in foreign currency) losses which you may incur as a result of any change(s) in the rate(s) of exchange) and we undertake to pay such sums to you on demand together with profit thereon at rate(s) determined by you from time to time, as well after as before judgment and notwithstanding that the customer and banker relationship may have ceased or terminated) and notwithstanding that the said Guarantee(s) has not been returned by the beneficiary(ies) to you for cancellation, and you have not received any written confirmation from the beneficiary(ies) that you have been discharged of your liabilities under the said Guarantee(s);*
 - ii. *authorise you to determine the compliance of term(s) and condition(s) of any of the said Guarantee(s) and to effect any payment(s) to the beneficiary(ies) to any of the said Guarantee(s) and/or comply with any claim(s) or demand(s) made under the said Guarantee(s) without any reference to us but with notice to us and despite any objection or contestation on our part;*
 - iii. *authorise you to debit any one or more of our account(s) to enable you to discharge your liability, actual or contingent, arising out of the said Guarantee(s) including without limitation all expenses, fees, and cost*

(legal or otherwise) in connection with the issuance of the said Guarantee(s) and payment/reimbursement from us of the guaranteed amounts together with profit thereon at rate(s) as determined by you from time to time with notice to us; and

- iv. undertake to deposit immediately with you in cash and/or in any other forms of security or securities approved by you from time to time whenever required by you in the event of a shortfall between the amount(s) owing by us to you in respect of the said Guarantee(s), including without limitation all expenses, fees, and cost, (legal or otherwise) in connection with the issuance of the said Guarantee(s) as well as payment/reimbursement from us of the guaranteed amounts together with profit thereon at rate(s) as determined by you from time to time, and the balance(s) in our account(s) and (in the case where the said Guarantee(s) is/are issued in foreign currency) including without limitation any shortfall due to currency fluctuations between the amount(s) payable by us to you and amount(s) received/recovered/debited by you.*
- b. In the event the said Guarantee(s) is issued in foreign currency, the following additional provisions shall apply:*

 - i. We irrevocably authorise you to debit any one or more of our account(s) for the Ringgit Malaysia equivalent converted at the Bank's then prevailing applicable foreign currency rate(s) of exchange (or such other rate(s) as may be determined by the Bank) for the relevant foreign currency on the day of payment for the performance of the said Guarantee(s) with notice to us to enable you to discharge your liability, actual or contingent, arising out of the said Guarantee(s) including all expenses, fees and costs (legal or otherwise) in connection with the issuance and payment/reimbursement of the guaranteed amount together with profit thereon at rate(s) as may be determined by the Bank from time to time; and*
 - ii. We irrevocably agree that if you accept or receive payment in a currency other than Ringgit Malaysia or such other currency specified by you, or if judgment or order is given or made for the payment of any amount due under the said Guarantee(s) and/or is expressed in a currency other than Ringgit Malaysia or such other currency specified by you, we will indemnify you against any loss incurred by you as a result of any variation having occurred in the rate(s) of exchange between the date at which such amount(s) is converted into such currency for the purposes of such payment, judgment or order and the date of actual payment.*
 - iii. This indemnity shall not be determined or in any way be prejudiced by any absorption reconstruction or reorganisation of or by you or of or by our company or any amalgamation thereof or therewith and in the event of any absorption reconstruction or reorganisation or*

amalgamation as aforesaid this indemnity shall be available for and by the absorbing, reconstructed, reorganised or amalgamated company.

- iv. We irrevocably agree to permit you at any time without prior reference, but thereafter with notice, to us to exercise earmarking of our account(s) or any other security(ies) given from time to time (including without limitation security in the form of a cash deposit of a fixed deposit receipt replaced or substituted from time to time) to enable you to meet any claims arising out of the said Guarantee(s) issued by you without your having obtained prior proof of our failure or inability to fulfil such payment obligation to you;*
- v. Should you accede to our request to backdate any BG-i(s) at any time(s), we irrevocably undertake and confirm that prior to making such request(s) to you, we shall have checked with the beneficiary of the said Guarantee(s) who shall have confirmed that no claims will be made in respect of the back-dated period(s). However, if a claim were to be made in respect of such period(s), we hereby irrevocably undertake that we shall immediately pay and/or reimburse the Bank the amount(s) of the claim(s)/ demand(s) paid and/or to be paid by the Bank and other fees, costs and charges (if any) (including without limitation, legal fees on a solicitor-client basis).*
- vi. This indemnity shall be binding upon our heirs, personal representatives, permitted assigns, liquidators and successors-in-title.*
- vii. This indemnity is in addition to and shall not prejudice or affect any other indemnities and undertakings issued by us to you.*
- viii. We are aware the Bank is not obliged to check or ensure the accuracy of any information supplied to it for inclusion in any BG-i and that we are solely responsible for ensuring that the terms or requirements in the BG-i are correct and meet our requirements and are aware any amendment you seek to make to the wording of any BG-i requested to be issued are to meet your internal policy and risk exposure management requirements. You (and any correspondent bank) are not responsible and have no duty whatsoever to advise us on issues relating to the suitability of the BG-i to our underlying contract's requirements and do not at any time act as our legal, business or financial advisors when we request the issuance of any BG-i .*
- ix. If any BG-i you have issued provides for its renewal or extension unless the beneficiary is informed otherwise by you but we do not instruct you at least seven (7) business days prior to the date required for you to provide notice of non-renewal/extension as required by the BG-i, you may renew or extend it for such further period as required by its terms. You shall however be under no obligation to re-issue, renew or extend any BG-i and may at any time: (a) cancel or revoke it without prior notice to or authorisation from us if such guarantee or the beneficiary*

thereof permits cancellation or revocation; or (b) pay on it without prior notice to or authorisation from us if the BG-i or any relevant law permits or requires payment to be made if such BG-i is to be cancelled, revoked, not extended or not renewed. Any cancellation, payment, revocation or otherwise by you at any time shall be without prejudice to your rights and obligations against us under the terms herein.

- x. *If the Bank issues any BG-i at our request to facilitate the business or other underlying transaction of another party with the beneficiary and even where that other party is named as the applicant or contracting party in that BG-i we agree that you do so based on our obligations (including for payment, reimbursement and indemnity) to you herein this TTC still applying in full.*

3.3 Invoice Financing-i (IVF-i)

3.3.1. Undertaking

Please refer to Section 2.1. for the undertakings applicable to all Trade-i products.

3.4 Letter of Credit (LC-i)

3.4.1. Undertaking

In consideration of your issuing at our application a LC-i, I/We agree as follows:

- a. *That I/We undertake to pay on presentation or to pay at maturity draft(s) and/or documents honoured or negotiated within the terms of the LC-i.*
- b. *To pay on presentation the draft(s) and/or documents under the LC-i issued even should the merchandise be diverted or over-carried or fail to arrive or be refused landing at destination due to whatever cause.*
- c. *To hold YOU AND YOUR AGENTS free from any responsibility for any delay, mistake or omission that may happen in the transmission of the instructions or losses or delay in the forwarding of the documents caused by a third party and/or a corresponding bank and for the correctness or genuineness of the documents submitted if apparently in order.*
- d. *That the said documents and the merchandise shipped shall be held by you as security for all or any monies for which I/We may at any time be liable to you hereunder and in default of payment on presentation of the draft(s) and/or documents thereunder you are authorised and empowered without notice to sell the said merchandise or any part thereof by public auction or private contract and to apply the net proceeds in or toward payment of the said draft(s) and/or documents or any other monies including profit for which I/We shall be liable to you hereunder and if the proceeds should be insufficient to pay you the amount of any deficiency immediately on demand. In case of loss of the merchandise shipped, you are authorised and empowered to obtain payment*

of the monies payable under any policy of insurance/takaful and to apply the net proceeds in the manner herein-before provided in the case of the net proceeds of sale of the said merchandise.

- e. That the **LC-i** are to be issued subject to the Uniform Customs and Practice for Letter of Credit published by the International Chamber of Commerce (latest revision).*
- f. In instances where I/We request the Bank to nominate a reimbursing bank and/or the Bank nominates a reimbursing bank, the **LC-i** will also be subject to the Uniform Rules for Bank to Bank Reimbursement under Documentary Credit published by the International Chamber of Commerce (latest revision).*
- g. It is understood that in the absence of a currency fixing a contract with you to cover the **LC-i**, the Bank is authorised to convert foreign currency draft(s) and/or documents under a sight credit at the Bank's selling rate on the date such draft(s) and/or documents are paid; and in the case of a usance credit, the Bank's selling rate on the date the draft(s) and/or documents mature for payment. I/we agree that such conversion equivalent shall be binding on me/us.*
- h. That in consideration of the Bank opening any **LC-i** at our application, I/We undertake to pay the Bank all monies paid for all documents drawn under such **LC-i**, including any agent charges together with profit, commission and all customary charges as prescribed in the Facilities Terms, Trade Tariff and Charges or herein these terms. I/We authorise the Bank to charge my/our account with all monies so paid or for which the Bank is liable under such **LC-i**, and if:
 - i. as a result of such debit my/our current account shall be overdrawn, I/We agree that income shall accrue thereon at such rate as may be determined by you and be payable together with other customary bank charges which you may impose;*
 - ii. you shall not be liable for the dishonour of any cheque drawn by me/us on the account if as a result of debiting my/our current account, there are insufficient funds for payment of the same.**
- i. To admit and regard all promises, agreements and undertakings contained herein notwithstanding any extension, renewal, renovation or modifications of any kind in the terms of the **LC-i** which you may have caused to be done at my/our request. And in the event of the Application Forms being signed by two or more, whether as partners or in the name of the firm or in any other capacity each and all such parties signing shall be deemed JOINTLY and SEVERALLY liable thereunder.*
- j. That you may at your discretion restrict negotiation under the **LC-i** to your own offices or to any correspondent or agents of your choice.*

- k. *You are authorised to instruct any bank or branch concerned to dispatch any draft(s) and/or documents by one or more mail or any other method of conveyance at your sole discretion.*
- l. *In respect of examination of documents drawn under any LC-i by the Bank, any determination of compliance by the Bank shall be final.*
- m. *I/We certify that the import of the relevant goods is not prohibited or restricted under any applicable laws and that I/We hold and undertake to exhibit to you a valid license where such license is required.*
- n. *You are authorised to make any additions to the documents which you may consider necessary including compliance with government regulations but you are not obliged to do so.*
- o. *You may at any time amend or insert additional terms and conditions under the LC-i issued as you may consider appropriate with prior notice to me/us. We are to examine the customer copy of each LC-i issued by the Bank in order to check its consistency with our application and give immediate notice of any objections to its contents failing which we will be deemed to have had no objections to or concurred with the amendments.*
- p. *In case of any extension or renewal of any of LC-i, increase or other modification of its items, these terms shall continue to be binding upon me/us in all respects to the LC-i as so extended, renewed, increased or modified.*
- q. *We hereby further agree:*
 - i. *to reimburse and pay you upon your written demand, all losses, damages, claims, penalties, expenses, costs (legal or otherwise including costs on a solicitor and client basis) and/or any charges which may be suffered by you or claimed against you as a result of your issuance of any irrevocable LC-i and/ or as a result of your discharging any of our mandate given to you from time to time pertaining to any irrevocable LC-i issued.*
 - ii. *that you or any of your agent, servant, employee, officer or director shall have no liability whatsoever (whether in contract, tort or otherwise) to us save as a result of gross negligence or wilful default provided always that you and the aforesaid persons shall in any event have no liability whatsoever (whether in contract, torts or otherwise) to us for any special, indirect, unforeseeable, consequential or punitive damages (including without limitation any loss of profit, business or anticipated savings) all of which we hereby agree are expressly excluded.*

3.4.2. Amendment of Letter of Credit-i

3.4.2.1. Undertaking

Except so far as otherwise expressly stated, LC-i applied for/sought to be amended by

us shall be subject to the latest International Chamber of Commerce Uniform Customs and Practice for Documentary Credits, insofar as these are applicable.

We authorise you to debit our account for all charges incurred by you.

3.5 Onshore Foreign Currency Financing (OFCF-i)

3.5.1. Undertaking

Please refer to Section 2.1. for the undertakings applicable to all Trade-i products.

3.6 Shipping Guarantee-i (SG-i)

3.6.1. Undertaking

It is agreed and understood by us that you will only countersign the said Indemnity on the understanding that the facts stated in the documents in question and in this application form are true and accurate in all material particulars, and we hereby confirm and warrant such truth and accuracy to you.

- a. We hereby declare that we are the rightful owners of the said shipment(s) and that the bill(s) of lading for same has/have not yet arrived. We further, declare that the said bill(s) of lading has/have not been hypothecated or in any way pledged with a third party whatsoever.*
- b. In consideration of your countersigning for us and joining us in the aforesaid Indemnity calling upon the Shipping Company mentioned therein to release and deliver to us or to our order the goods referred to therein without production of the relevant bill or bills of lading, save and except for damages arising directly from wilful default or gross negligence on your part, we and our respective personal representative (or our successors) with at all times hereafter keep you and your successors indemnified against all actions proceedings liability claim damages costs and expenses or any other consequences in relation to or arising out of the said Indemnity.*
- c. We confirm that our liability hereunder will extend not only to the full value of the goods but also to any further or other liability which may be incurred by you in consequence of your countersigning for us and joining with us in the said Indemnity notwithstanding any statement of value therein contained, including all or any costs which may incur or become liable to pay.*
- d. We also agree to keep the cargo fully covered and will furnish proof of this at any time, if requested to do so by you.*
- e. And we further agree on the receipt of the relevant bill(s) of lading we will procure the return of the said Indemnity within reasonable time and deliver same to you for cancellation.*
- f. We further authorise you to endorse all relative bill(s) of lading so that such bill(s) of lading may be delivered directly to shipping Companies and/or shipping*

companies' agents and/or forwarding agents aforesaid and in order to give effect to this, in the case of shipments under Documentary Credit, we agree that you will have no obligation to examine any shipping documents related to the goods described above in order to determine whether any discrepancies may exist between shipping documents received and those called for by the relative Documentary Credit and we undertake to disregard all discrepancies (if any) between shipping documents received and those called for by the relative Documentary Credit and to accept all such shipping documents as if they were all documents and the only documents called for by the relative Documentary Credit.

- g. We hereby acknowledge that until production and delivery of the said bill(s) of lading, termination or cancellation of the said Indemnity, or until your liability there under is ascertained and the amount thereof debited against us, we will remain indebted to you in the said amount at least and in the undertaking of any accounts between you and us or on the closing of our account with you for any reason whatsoever you will be entitled to set off the said amount against any credit which we may have.*
- h. We further acknowledge that the said amount to thus owe by us to you, will be in the nature of security for the amount that may under the terms hereof ultimately become owing by us to you and will in no way limit our liability therefore.*
- i. And without prejudice to our Indemnity against all loss or damages, you may at any time at your discretion and without reference to us debit the said sum against us in our current account(s) with you.*

3.7 Trust Receipt-i (TR-i)

3.7.1. Undertaking

Upon deferred payment terms specified hereafter and on this day having handed over to me/us the relevant shipping documents, I/we hypothecate to you the abovementioned goods/assets/merchandises as collateral security for the payment of the amount of selling price or any part thereof and I/we FURTHER UNDERTAKE AND AGREE as follows:-

- 1. You shall have a pledge upon the said goods/assets/merchandises as a security for the payment to discharge of my/our indebtedness mentioned herein.*
- 2. In case of sale of the abovementioned goods/assets/merchandises by me/us, I/we agree to hand the proceeds, as soon as received, to you to be applied against the undermentioned bill and for the payment of my/our indebtedness.*

3. *To accept Sola of Exchange released by you on me/us, to mature on the date of maturity mentioned hereunder for the amount of your selling price or any part thereof.*
4. *To keep the said goods / assets / merchandises referred to fully covered by Takaful/insured against all risks and to hand over to you the amount of any claims on the underwriters, provided that you are not liable for any storage Takaful contribution/insurance premium, or any other expenses incurred in respect of the said goods / assets / merchandises.*
5. *Not to charge or purport to charge the said good /assets/merchandises or the proceeds of sale thereof with the payment of any monies to any person or to use or purport to use the same as security for the performance of any obligation whatsoever.*
6. *That you shall be entitled and are hereby authorised by me/us to debit my/our account(s) with you for the price of the said goods / assets / merchandises, the particulars of which are stated below together with your relevant charges on maturity.*
 - a) *In the event of non-fulfilment of any obligation or non-payment at maturity of any acceptance or any other indebtedness on my/our part to you or any assignment for the benefit of creditor on my/our part of filing of any petition of bankruptcy against me/us, then you may at any time, take possession of the said goods/assets/merchandises, or of the proceeds of such of the same as may then have been sold, wherever the said goods/assets/merchandises may then be found and all obligations acceptances or indebtedness and liabilities whatsoever shall hereupon (with or without notice) mature and become due and payable.*
 - b) *You may sell and/or realise the said goods/assets/merchandises in such manner and on such terms and conditions as you at your discretion. After payment out of proceeds of such sale and/or realisation and the payment to you of all such indebtedness or liabilities as aforesaid any balance is to be handed over to me/us; you shall be under no obligation in respect of the said goods / assets / merchandises except as herein provided nor shall you be liable for any loss arising out such sale and/or realisation or for default of any broker, auctioneer or person employed in the sale and/or realisation of any of the goods / assets / merchandises or for any other purpose connected therewith.*
7. *I/we undertake on your request forthwith to sign execute and do all acts and things that may be necessary or required by you for the purpose of giving you an effective pledge over the said goods / assets / merchandises for the purpose of perfecting your title your thereto or that of any purchaser thereof under any sale made in exercise of the powers of sale hereby conferred and for the purpose*

aforesaid I/we hereby authorise you to execute and do any such act or things as my/our agent and I/we hereby agree on your request forthwith to execute a Power of Attorney empowering you to execute as my/our Attorney any instruments under seal that may be required for the purpose of giving full effect to the authority on you by any other clause hereof.

8. *Any failure on your part to enforce the remedies conferred on or available to you or any act or omission on our part to carry out fully any of the provisions of this, or any similar receipts or agreements, or of the agreement for the issuance by you of the Letter of Credit/i under which the said goods / assets / merchandises were purchased shall not be deemed to be waiver by you of right or remedies hereunder, unless the said waiver shall be writing endorsed hereon and signed by you or your duly authorised agent.*

9. *When signed by you more than one person the expressions “we” and “us” shall include all and each of us and the obligation and liabilities of such parties shall be deemed to be joint and several unless expressly stated to the contrary, and when the undersigned being a firm or company or corporation the obligations of the undersigned hereunder shall be binding on their successors or assigns and shall continue notwithstanding any change in the constitution of the firm or company or corporation and when the undersigned are a firm shall bind the members from time to time of the said firm jointly and severally.*

4.0 Trade Financing Application based on Proforma/Commercial/Tax Invoice/Other Commercial Documents (Without upfront production of complete original transport documents)

4.1. Indemnity

In consideration of the Bank agreeing to finance our trade application(s) for the amount of stated in the request we submit under the proforma/ commercial / tax Invoice(s) or any other commercial document(s), with number(s) / reference(s) without producing the complete set of original transport documents, we irrevocably undertake and agree as follows:

- a. *To without delay submit to the Bank the copy of the transport documents, but in all cases to do so on or before*
 - i. *the 14th day* from (and including) the date of our application, OR*
 - ii. *the final day of the financing tenor of our application.*

whichever is the earlier.

**Note: default fourteen (14) days or approved lead time*

- b. *To without delay submit to the Bank the original transport documents (together with original pro-forma/commercial/tax invoice(s) or such other commercial documents, if not already delivered to the Bank), but in all cases within thirty (30) days from the shipment arrival date;*

- c. *Unless otherwise expressly agreed to by the Bank, no transaction(s) financed under our applications are being undertaken with buyer(s) / seller(s) who are our related company(ies) (i.e. holding company or subsidiary or has the same holding company) and/or is/are in the same corporate group as us and/or does not/do not have any common directors, shareholders, and/or guarantors with us.*

- d. *To immediately declare to the Bank upon becoming known to us the countries and parties associated with the business and transactions in relation to this application.*

- e. *We do not have any outstanding bills or arrears with any banks within the past 12 months preceding this application for financing.*

- f. *That the Bank will refuse to process any transaction(s) which may violate or breach any of the items (a) to (f) stated above including Sanctions to which the Bank and/or the transaction(s) is/are subject and/or which may be relevant to the Bank and/or the transaction(s). We agree that the Bank will not be liable for any claims, losses, damages, costs or expenses suffered by any party in connection with the Bank's action or refusal to process such transaction(s). We agree that the Bank may withdraw or stop any future transactions, should there be any violation or breach of any of the items (a) to (e) stated above including sanctions discovered or made known in relation to the business and transactions. We certify that no shipment or transaction(s) involved in our trade finance application(s) is or will be in violation of any Sanctions;*

- g. *To indemnify the Bank (on a full indemnity basis) against all whatsoever liabilities, invoice amount discrepancies, losses, payments, damages, demands, claims, expenses and costs (including legal fees on a solicitor-client basis), proceedings and actions and consequences, which the Bank may suffer or incur howsoever arising from or in connection with this application for the above financing and/or the above financing (including without limitation, howsoever arising from or in connection with a refusal to process a transaction(s) and/or delay and/or failure to present originals of commercial and/or transport documents within the aforesaid stipulated time period and/or any other breach or non-fulfilment of this letter);*

- h. *To pay the Bank immediately on demand in the event of any breach or non-fulfilment of any of the above items.*

[END]

