

To : The Manager
HSBC Bank Malaysia Berhad
 (Company No. 127776-V)

Branch _____

Date _____

APPLICATION / COUNTER INDEMNITY FOR SHIPPING GUARANTEE

We present herewith and request your counter-signature to our Letter of Indemnity for Non-Surrender of Bill of Lading whereby we have agreed to indemnify Messrs in consideration of their delivering to us without production of the Bill of Lading in respect of the goods undermentioned which are consigned to us against Bill Ref: (DC No) and to delivery of which we are entitled:

Name of Shipping Company Quantity of Goods
 Description of Goods
 Bill of Lading Number Approximate value of goods

FOR TRUST RECEIPT						
In consideration of your releasing to the undersigned the documents specified in the Schedule hereto ("the Documents"), receipt of which the undersigned hereby acknowledges and your granting or continuing to make available credit/financing or banking facilities or other financial accommodation for so long as you may think fit, the undersigned hereby agrees to the terms and conditions printed overleaf.						
Schedule						
Documents		Goods				
Bill of Lading no.	Other Documents	Description	Quantity	Gross Weight	Marks and Numbers	Vessel

The release of goods is to be against

- (a) a debit to my/our account No. for
- (b) Trust Receipt for

In consideration of your countersigning the said Letter of indemnity for Non-Surrender of Bill of Lading, pursuant to (a) or (b) above, we hereby agree:-

- (a) the undersigned shall accept all documents presented and pay or accept presentation and pay at maturity all drafts drawn in respect of such goods, notwithstanding any discrepancy therein;
- (b) the undersigned shall at all times keep you indemnified against all actions, proceedings, liability, claims damages, costs and expenses and against all payments whatsoever which may be made by you in relation to or arising out of your countersigning any such Letter;
- (c) the undersigned shall endeavour to obtain the bill(s) of lading or other document(s) of title to such goods and on their receipt procure you release from your indemnity or guarantee and return the relevant Letter to you for cancellation;
- (d) the undersigned shall pay you a commission at such rate as may from time to time be charged by you during the currency of such Letter;
- (e) the undersigned shall remain liable to you hereunder so long as you are still under any liability under such Letter;
- (f) that we authorise the Bank to utilise any cash margin deposited at the time of issue against any eventual claim under the guarantee;
- (g) that should the said Letter of Indemnity not be released to you within three calendar months from the date of issue we shall pay you a commission of 0.5% per annum of the invoice value in accordance with your Tariff irrespective of whether the Bill of Lading is received through your Agency;
- (h) the undersigned shall observe and comply with all the covenants and conditions on our part specified in the Trade Financing General Agreement (or the General Security Agreement Relating to Goods, as the case may be) executed by us in your favour and dated the day of and to indemnify you against all losses or damage which you may incur as a result of the non-observance or non compliance with such covenants and conditions.

Trust Receipt Terms and Conditions

1. The Documents and the goods and/or produce to which they relate ("the Goods") belonging to you or are now in pledge to HSBC Bank Malaysia Berhad ("the Bank") and we will receive the Documents and take delivery of the Goods exclusively for the purpose of selling the Goods unless the Bank shall direct otherwise.
2. The Documents, the Goods and the proceeds of their sale are and will be held by us on trust for the Bank and solely to the Bank's order and we shall pay the proceeds to the Bank, immediately on receipt thereof or of each portion thereof, as the case may be, without set-off or any deduction. Our records shall properly record the Bank's interest in the Goods.
3. The Bank is hereby authorised to demand and/or receive the sale proceeds of the Goods direct from any buyer or other person and we will immediately advise the Bank of any sale giving full particulars of the buyer and the goods or produce sold.
4. The Goods shall be stored in the Bank's name and any warrants for the Goods shall be delivered to the Bank. The Bank is hereby authorised to enter any premises so as to inspect or secure possession of the Goods, to remove and dispose of the Goods, or any part thereof, by sale or otherwise as the Bank may think fit and otherwise to deal with the Goods as the Bank may consider expedient.
5. We shall pay all warehousing, freight, dock and other charges relating to the Goods and Documents.
6. We shall keep as far as practically possible this transaction, the Documents, the Goods and all proceeds thereof separate from any others and shall not permit the Goods to be processed or altered without the Bank's consent.
7. We shall keep the Goods fully insured against all insurable risks and shall hold the policies and any insurance proceeds on trust for the Bank. In the event of loss or damage, we shall account to the Bank immediately for any moneys received from the insurers and shall make good any deficiency.
8. We shall not sell or otherwise dispose of any of the Goods, except by a sale or other disposition as trustee for the Bank in accordance with the terms and conditions of this Trust Receipt.
9. The Bank may, at any time, cancel this trust and take possession of Goods and/or the Documents and/or the proceeds of sale, wherever and in whatever form the same may be. We undertake to return to the Bank forthwith on its request at any time the Documents and to comply promptly and fully with any instructions which the Bank may give as to the manner of dealing with Goods or any of them.
10. We acknowledge and agree that the documents relative to the bill are acceptable as a negotiation under the documentary credit.
11. We acknowledge and confirm our indebtedness to the Bank in respect of all sums due from us on any bills drawn by the Bank in respect of goods covered by this Trust Receipt. We authorise the debit of our account with the Bank in satisfaction of all such indebtedness.
12. Any notice or demand by the Bank shall be in writing signed by an officer of the Bank and may be served by delivering the same to me/us or by registered post addressed to me/us at the address last known to the Bank and a demand or notice so addressed and posted shall be deemed to have been served at the expiration of forty eight hours after it has been posted and shall be effective notwithstanding that it be returned undelivered.
13. This Trust Receipt shall be governed and construed in all respects in accordance with Malaysian law.

STAMP

Authorised Signature

For Bank Use

**Signature
Verified**