

TERMS AND CONDITIONS

The following terms and conditions ("T&C") for Documentary Credit Application shall be applicable effective from 01 July 2007 and shall continue to apply unless revised by the Bank. The words "I, we, my, our, me, us" wherever they appear in the T&C shall mean "the Customer". For applications made using electronic form ("e-form"), these T&C shall be deemed incorporated into the corresponding e-form and agreed by the Customer.

Terms and Conditions for Documentary Credit Application

- 1 Except so far as otherwise expressly stated, the Documentary Credit is subject to Uniform Customs and Practice for Documentary Credits (2007 Revision), International Chamber of Commerce Publication No. 600, including all amendments made in subsequent revisions thereof ("UCP600").
 - 2 If the documents called for do not include insurance policy(ies) or certificate(s), we undertake to produce to HSBC Bank Malaysia Berhad ("the Bank") within 15 days from the date of application an insurance policy or certificate acceptable to the Bank and in the Bank's name for the C and F value plus at least 10 per cent, failing which the Bank may effect insurance at our expense and debit our account accordingly but the Bank is not obliged to do so.
 - 3 If credit is to be advised through an agency or correspondent bank in USA, the Bank is authorised to accept at its sole discretion American Institute clauses insurance policies.
 - 4 The Bank is authorised to make any additions to the documents specified under the credit which the Bank may consider necessary to ensure compliance with government regulations but not obliged to do so.
 - 5 We certify that the import of the goods, as described in the Documentary Credit Application form, is not prohibited or restricted and that we hold and undertake to exhibit to the Bank a valid import licence where such licence is required.
 - 6 The documentary credit and the drawing(s) thereunder are and shall be subject to the Trade Financing General Agreement (or the General Security Agreement Relating to Goods, as the case may be; in either event, hereinafter referred to as "the Agreement") irrespective of whether the Agreement had been executed by us, including any amendments to the Agreement. We have read the Agreement and confirm that we agree to the terms and conditions contained therein.
 - 7 The words "we" and "our" shall be read as "I" or "my" if applications are signed by or on behalf of an individual.
 - 8 Drafts may be drawn clauséd "without recourse" if the drawers so require.
 - 9 In the absence of any instructions to the contrary specified in "Additional Conditions" in the Documentary Credit Application form, the Bank is authorised to instruct any bank or branch concerned to despatch any draft(s) and/or any documents by one or more mails or other methods of conveyance at the Bank's sole discretion.
 - 10 We are aware of the implications of Article 34 of UCP600 and acknowledge that where a bank claims to have paid/accepted (honoured) or negotiated under this Documentary Credit, its good faith and the fact of payment/acceptance (honouring) or negotiation thereof shall be presumed in the absence of evidence to the contrary.
 - 11 For sight documentary credits or usance documentary credits negotiable at sight, interest or fees and commission whichever is appropriate payable by applicant to the issuing bank at the current rate of interest pertaining to the currency of the bill from date of negotiation until date of payment.
 - 12 In the absence of any instructions from us, we authorise the Bank to convert the foreign currency amount payable under the credit into its Malaysian Ringgit equivalent at the prevailing selling rate on or before the 5th working day from the date of the Bank's written notification of arrival of documents.
 - 13 In consideration of the Bank permitting and/or authorising the negotiating/confirming bank to make a claim under this Documentary Credit prior to receipt of documents by the Bank, we irrevocably indemnify the Bank for the full amount of the negotiating/confirming bank's claim (plus interest or fees and commission whichever is appropriate, from the date of the claim having been met until repayment at the rate specified by the Bank) in the event that such a claim is subsequently rejected by us or is otherwise not a complying presentation and we authorise the Bank to debit our account accordingly without further authority from us.
 - 14 Any references to "interest" in the paragraphs above written shall not apply to Wakalah or Murabahah Documentary Credit.
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The following terms and conditions ("T&C") for Documentary Collection and/ or Negotiation Form shall be applicable effective from 15 November 2006 and shall continue to apply unless revised by the Bank. The words "I, we, my, our, me, us" wherever they appear in the T&C shall mean "the Customer". For application made using electronic form ("e-form"), these T&C shall be deemed incorporated into the corresponding e-form and agreed by the Customer.

Terms and Conditions for Documentary Collection and/or Negotiation Form:-

Unless the bill is drawn against an Irrevocable Credit issued or confirmed by HSBC Bank Malaysia Berhad (the "Bank"), I/we agree that:-

- 1 Notwithstanding my/our instruction not to protest the bill, the Bank retains the right of recourse against me/us in the event of dishonour. I/We agree not to hold the Bank liable for any consequences arising out of my/our failure/omission to give specific Protest Instructions.
- 2 Where authority has been given to release documents against payment in local currency, I/we shall be responsible for the full amount of the bill being remitted and I/we shall refund to the Bank any shortfall on demand if the full amount is not remitted to the Bank within a period considered by it to be reasonable.
- 3 The Bank shall not be responsible for any act, omission, default, suspension, insolvency or bankruptcy of any correspondent, agent or sub-agent.
- 4 The Bank shall not be responsible for any delay in remittance or loss in exchange during transmission or in the course of collection.
- 5 The Bank shall not be responsible for loss or delay of any bill of exchange or documents in transit or in the possession of any correspondent, agent or sub-agent.
- 6 The Bank is hereby authorised to apply any money received from us or any other person, to such account or liability of us as the Bank may at its absolute discretion determine.
- 7 The Bank reserves the right to refuse to negotiate any bill presented by me/us without assigning any reason thereof and shall not be liable to me/us in any manner for any loss or delay caused by such refusal.
- 8 Collections are subject to the Uniform Rules for Collection (1995 Revision) International Chamber of Commerce Publication No. 522, including all amendments made in subsequent revisions thereof.
- 9 Drawings under Documentary Credits are subject to Uniform Customs and Practice for Documentary Credits (2007 Revision), International Chamber of Commerce Publication No. 600, including all amendments made in subsequent revisions thereof.
- 10 The Bank has full authority (but no obligation) at its discretion to store and insure the goods at my/our risk and cost.
- 11 This collection and the drawings thereunder is and shall be subject to the Trade Financing General Agreement (or the General Security Agreement Relating to Goods as the case may be; in either event, hereinafter referred to as "the Agreement") irrespective of whether the Agreement had been executed by me/us, including any amendments to the Agreement. We have read the Agreement and confirm that we agree to the terms and conditions contained therein.
- 12 **Authority to debit my/our account and Indemnity**

In consideration of the Bank negotiating, discounting or otherwise financing any export documents presented by me/us under any documentary credit, I/we hereby irrevocably and unconditionally:-

- i. authorise the Bank to immediately (or at a date which it deems fit) debit my/our current account No. with the amount financed, discounted or negotiated, upon receiving notice of the issuing bank's default to pay the amount due on due date.
- ii. indemnify the Bank against all costs, charges, damages and losses which the Bank may incur in relation to the instruction to debit the above account;
- iii. indemnify the Bank and keep the Bank indemnified against any loss or extra costs, arising from differences between the exchange rate used on the date of payment by the Bank and the date of debiting my/our account, and
- iv. confirm that the Bank's negotiating, discounting or otherwise financing any export documents presented by me/us will not contravene the provisions of Section 62 of the Banking and Financial Institutions Act (BAFIA) 1989.;

We accept that the Bank reserves the right to recall the facilities and/or to immediately debit our account with the outstandings in the event that we are not in compliance with Section 62 BAFIA. We are aware that under Section 62(2) BAFIA, "officer" includes any employee of a financial institution.

13 I/We, confirm that I/we have the authority to bind the firm/company to all the terms and conditions contained herein.

14 **For bill negotiation under Usance Documentary Credits confirmed by the Bank**

We agree that upon the negotiation/finance of clean documents by the Bank under a confirmed letter of credit, we will co-operate fully with the Bank and render the Bank all assistance it requires in the collection of any outstandings and the enforcement of payment thereof, whether by legal proceedings or otherwise, including the provision of evidence and witnesses, and the execution of any further documents required to perfect title to the debt.

The Bank shall have the right of recourse to us under its confirmation if the issuing bank is not obliged to pay to it any amount(s) expressed to be payable under the terms of the credit, by any injunction or other court order, or if the bank suffers any other loss or damage, due to any fraud, illegality, unauthorised act or the like in which we are involved.

The following terms and conditions ("T&C") for Trust Receipt shall be applicable effective from 15 November 2006 and shall continue to apply unless revised by the Bank. The words "I, we, my, our, me, us" wherever they appear in the T&C shall mean "the Customer". For applications made using electronic form ("e-form"), these T&C shall be deemed incorporated into the corresponding e-form and agreed by the Customer.

Terms and Conditions for Trust Receipt:-

- 1 The Documents and the goods and/or produce to which they relate ("the Goods") 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.
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The following terms and conditions (“T&C”) for Loans Against Import shall be applicable effective from 15 November 2006 and shall continue to apply unless revised by the Bank. The words “I, we, my, our, me, us” wherever they appear in the T&C shall mean “the Customer”. For applications made using electronic form (“e-form”), these T&C shall be deemed incorporated into the corresponding e-form and agreed by the Customer.

Terms and Conditions for Loan Against Import:-

- 1 I/We hereby certify that this financing is requested for the genuine trade of my/our company and that no other finance has been requested from any other financial institutions against the invoice (if any).
- 2 I/we hereby acknowledge my/our indebtedness to HSBC Bank Malaysia Berhad ("the Bank") for the full amount of the loan plus interest at such of the Bank's current rates as the Bank may determine applicable (subject to any fluctuations without notice) and confirm that such loan account, until repaid, will remain as a continuing liability on my/our part under the terms of the Trade Financing General Agreement (or the General Security Agreement Relating to Goods, as the case may be; in either event, hereinafter referred to as "the Agreement") irrespectively of whether the Agreement had been executed by me/us, including any amendments to the Agreement and any applicable Facility Letter already signed by me/us whereby by documents and/or goods to which the above bill relates are pledged to you as security. We have read the Agreement and confirm that we agree to the terms and conditions contained therein.
- 3 I/We further confirm that notwithstanding anything to the contrary stated herein, this loan account remains subject to the Bank's overriding right to repayment on demand.
- 4 I/We confirm that all documentary evidence of ownership to goods under financing by the Bank shall remain at all times the Bank's property and are and will be released to me/us from time to time on trust only and that all such documents, the goods to which they relate and the proceeds of their sale are and will be released to me/us on trust for the Bank and solely to the Bank's order and will be separated from and do not form part of my/our property.