

SHIPPING GUARANTEE INDEMNITY

UNITED OVERSEAS BANK (MALAYSIA) BHD [199301017069 (271809K)]

Date:

Dear Sirs,

We request you to issue a guarantee ("Guarantee") to _____

to enable us to take delivery of the shipment/s stated in this Indemnity. We agree that our liability in this Indemnity shall not be limited or in any way affected by the value of the goods.

We represent and warrant to you that:

- (a) we are the legal and beneficial owners of the said shipment/s;
- (b) the Bill/s of Lading for the shipment/s has/have not yet arrived; and
- (c) the Bill/s of Lading and the shipment/s including the goods in the shipment/s has/have not been charged, mortgaged, assigned or pledged to any third party.

In consideration of your issuing the Guarantee, we irrevocably and unconditionally undertake to: -

- a) redeem the Guarantee from the relevant party and return the Guarantee to you immediately on the arrival of the relevant Bill/s of Lading,
- b) to the fullest extent permitted by law and unless it is due to your wilful misconduct or gross negligence, indemnify you and keep you fully and completely indemnified at all times from and against all demands, claims, actions, proceedings, liabilities, losses, charges, costs and expenses of whatsoever nature or description (including without limitation, all legal and other costs on a full indemnity basis) which you may sustain or incur by reason of or in connection with your having issued the Guarantee or in enforcing, attempting to enforce your rights under this Indemnity;
- c) immediately pay to and/or reimburse you all such sums as may be demanded by you, together with interest incurred thereon (as well after as before judgement and notwithstanding that the customer and banker relationship may have ceased or terminated), from the date when such sums were first paid or incurred by you until payment of them by me/us in full, at your usual temporary overdraft rate or such other overdraft rate that may have been agreed between you and me/us; and
- d) deposit with you immediately on demand, such sum of money to which you may be liable, in respect of the Guarantee for such period until the Guarantee is released and returned to you, and you are irrevocably authorised at any time after such demand to debit any of our account with you for the said sum.

Nothing contained in this Indemnity shall be construed as imposing any obligation on you to first make payment under the Guarantee and subsequently seek reimbursement from us. Our obligations under this Indemnity is to pay to you the amount demanded by you immediately upon your demand irrespective of whether or not you have made any payment under the Guarantee.

We further irrevocably and unconditionally authorise you and you shall at all times be entitled, without further authority or consent from us:

- (a) in the event you are required to make payment under the Guarantee in a currency other than Ringgit Malaysia (the "foreign currency"), to purchase the foreign currency at such rate of exchange (as conclusively determined by you) on our behalf and charge the Ringgit Malaysia equivalent amount together with any associated costs and charges arising from the conversion to our account;
- (b) to determine at any time, the guarantee and to tender or effect such payment to the beneficiary of the Guarantee;
- (c) to debit to any account which we may have with you for any amount payable (whether actually or contingently) by you under the Guarantee or to set-off any monies in your hands belonging to us in satisfaction of such amount payable by providing prior notice to us. This is without prejudice to your other rights or remedies which you may have under this Indemnity or the law; and
- (d) to make any payments or comply with any demand which appears or purport to be claimed or made under the Guarantee without any investigation or inquiry into the justification of any such claim or demand or into the validity, genuineness or accuracy of any such demand, statement or certificate received by you with respect to or under the Guarantee and without requiring proof or our agreement that the amount demanded is due and despite any contestation on our part and we agree that any such claim or demand shall be binding on us and shall, as between you and us, be accepted by us as conclusive evidence that you are liable to pay or comply with it. We acknowledge and agree that we shall not be entitled at law or in equity to stop or to demand you to withhold any payment under the Guarantee. Accordingly, you shall be entitled to be paid and indemnified in accordance with the provisions of this Indemnity unless it is due to your wilful default or gross negligence.

We agree that you shall not be responsible for the sufficiency, accuracy or genuineness of the bills of exchange and/or shipping documents ("Documents") or for any irregularities or discrepancies in the Documents or that the Documents do not comply with the terms of the Letter of Credit. We agree not to dispute or challenge your acceptance of the Documents.

This Indemnity is in addition to and shall not merge with or prejudice or affect any other rights, remedies, guarantees, indemnities, securities or other obligations which you may now or subsequently hold whether from us or from any other person. You may at any time give time for payment or grant any other indulgence or waiver and/or give up, release, deal with, vary, exchange, enforce, realise or abstain from perfecting or enforcing any other indemnities, guarantees, securities or other obligations held by you at any time and/or discharge any person or compound with, accept compositions and/or make any other arrangements with the beneficiary of the Guarantee or any person without affecting our liability under this Indemnity.

You are at liberty (but not bound to do so) to resort for your own benefit to any other means of payment at any time and in any order without diminishing our liability. You may enforce your rights under this Indemnity either: -

- (a) for the payment of the ultimate balance after resorting to other means of payment; or
- (b) for the amount due at any time notwithstanding that other means of payment have not been resorted to.

In scenario (b), we are not entitled for any benefit received by you from such other means of payment so long as any monies remains due or owing or payable (whether actually or contingently) from or by us to you.

Our liability shall be a continuing liability and this Indemnity shall not be determined nor determinable by us and shall remain in full force and effect until no sum remains payable under the Guarantee and the Guarantee has been redeemed and returned to you.

The liabilities and/or obligations created by this Indemnity shall continue to be valid and binding for all purposes notwithstanding any transfer or assignment of your business or operations or assets or liabilities or any change by amalgamation, consolidation, reconstruction or otherwise which may be made in your constitution or of any company by which your business may for the time being be carried on and shall be available by the company carrying on that business for the time being.

The liabilities and/or obligations created by this Indemnity shall continue to be valid and binding on us for all purposes notwithstanding any change whether by reason of bankruptcy, death, incorporation, amalgamation, liquidation, reconstruction or otherwise howsoever in our name, style, constitution or composition.

All monies payable by us under this Indemnity shall be paid to you in full free of any present or future taxes, levies, imposts, duties, charges, fees, or withholdings and without any set-off or counterclaim or any restriction, condition or deduction whatsoever. If we are compelled by law to make any deduction or withholding, we will promptly pay to you such additional amount as will result in the nett amount received by you being equal to the full amount which would have been receivable by you had there been no deduction or withholding.

We hereby declare that all information given in relation to this request are true and correct and in full compliance with the applicable Foreign Exchange Administration Rules. We shall be fully responsible for any inaccurate, untrue or incomplete information provided to the Bank.

This Indemnity shall be governed by and interpreted in accordance with the laws of Malaysia and we irrevocably submit to the non-exclusive jurisdiction of the Courts in Malaysia. We irrevocably waive any objections on the ground of venue or forum non conveniens or any similar grounds.

Should this Indemnity be signed by or for and on behalf of two or more of us (except in the case of corporations), all liabilities shall be joint and several. In the case of partnership, this Indemnity shall bind all partners jointly and severally notwithstanding any change in the name of the firm or retirement or death of any partner or the introduction of any further partner. Any demand for payment made by you to any one or more of the persons so jointly and severally liable shall be deemed to be a demand made to all such persons. You may release or discharge any one or more of such persons from liability under this Indemnity or compound with, accept compositions from or make any other arrangements with any one or more of such persons without releasing or affecting your rights and remedies against any such other persons.

If this Indemnity is to be signed by more than one person ("the Original Signatories" and any one or more of the Original Signatories fails to sign the same or having signed is not bound by this Indemnity (whether by reason of lack of capacity or improper execution of this Indemnity or for any other reason whatsoever), the remaining Original Signatories shall continue to be bound by this Indemnity as if such other Original Signatories had never been party to this Indemnity.

Any provision of this Indemnity which is illegal, void, prohibited or unenforceable in any jurisdiction shall as to such jurisdiction be ineffective to the extent of such illegality, voidness, prohibition or unenforceability without invalidating the remaining provisions in this Indemnity and any such illegality, voidness, prohibition or unenforceability in any jurisdiction shall not invalidate or render illegal, void or unenforceable any such provision in any other jurisdiction.

Time shall be of the essence of this Indemnity.

No failure to exercise and no delay in exercising on your part of any right under this Indemnity shall operate as a waiver of such right, nor shall any single or partial exercise of any right preclude any other or further exercise of the right or the exercise of any other right. The rights and remedies provided in this Indemnity are cumulative and are not exclusive of any rights or remedies provided by law.



This Indemnity and our obligations in this Indemnity shall be binding on us and our successors in title and shall enure to the benefit of you, your successors in title and assigns.

Any notice or demand may be sent to me/us by hand or by post to my address specified below or at such other address as may from time to time be notified by me/us to you for the purpose or at my/our last known address. Any notice or demand shall, if delivered by hand be deemed to be given at the time it is left at any such address and if sent by post shall be deemed to have been given two (2) days after posting.

We shall be liable to pay any and all taxes or levies which is required by law, regulations, guidelines, decisions or directives issued under such laws (and shall include any amendments made to such laws, regulations, guidelines, decisions or directives) to be paid to any body or authority having jurisdiction over you in respect of any monies payable in connection with the Guarantee. Any such taxes or levies incurred by you in relation to this Indemnity or Guarantee and any other goods or services provided pertaining to the Guarantee shall be borne by and charged to us and in the event the Bank shall effect any payment, we shall be liable to reimburse you for all such amounts paid.

You may at any time assign all or any part of your rights, interests and obligations in this Indemnity and the Guarantee and/or transfer the benefit of this Indemnity and Guarantee to any person or corporation. We may not assign or transfer all or part of our rights or obligations under this Indemnity without your prior written consent.

In this Indemnity, words importing the singular include the plural and vice versa and references, words applicable to natural persons include any body of persons, company, corporation, firm or partnership corporate or unincorporate and vice versa; and other grammatical forms of a word or expression defined in this Indemnity have a corresponding meaning.

Yours faithfully,

Name of Applicant:

Address:

Port of Shipment	Name of Vessel	No. of Packages	Marks & Numbers	Description