

## Non-recourse Discounting under Letter of Credit

Date: .....

To: United Overseas Bank (Thai) Public Company Limited (hereinafter referred to as the “**Bank**”)

LC Reference ..... Currency and Amount .....  
(hereinafter refer to as the "Letter of Credit")

1. The discounting of bills and/or documents under the Letter of Credit shall cover only non-payment by the Issuing/Confirming Bank due to the political or economic situation of the Issuing/Confirming Bank’s country thereby preventing the Issuing/Confirming Bank from making payment, or due to the Issuing/Confirming Bank’s insolvency.
2. The Bank shall have the right of recourse to us if the Issuing/Confirming Bank does not pay to the Bank any amount(s) due under the bill or expressed to be payable under the terms of the Letter of Credit (or if there is any delay in payment) for any reason other than those stated in Clause 1 above, including but not limited to reasons such as:
  - (a) contractual disputes; or
  - (b) any alleged or actual invalidity or unenforceability of the bill (whether arising out of fraud, illegality, unauthorised act or otherwise); or
  - (c) any injunction or other court order preventing such payment (whether or not subsequently discharged),and we will reimburse the Bank for (i) any amount(s) paid to us by the Bank together with interest from the date of non-payment by the Issuing/Confirming Bank and (ii) any loss or damage suffered by the Bank as a result of non-payment (or delay in payment).
3. We irrevocably agree to assign to the Bank absolutely, by way of transfer, all our rights, title and interest in, and claims for payment under the Letter of Credit and all related documents, goods and insurances. The Bank shall be free to exercise its discretion in enforcing its rights through legal action or otherwise. We agree to execute any documents (including the endorsement of any draft), and to take all steps and provide all assistance that the Bank may reasonably request in connection with making claims against any party in respect of the Letter of Credit, goods and insurances.  
We shall pay for late payment interest for any shortfall in payment of the principal amount at the default interest rate as specified in the relevant Handling of Documents under Export Letter of Credit in respect of this transaction.
4. Any interest accrued hereunder shall be calculated on a daily basis (1 (one) year shall be 365 (three hundred and sixty-five) days for Baht currency and 1 (one) year shall be 360 (three hundred and sixty) days for the other currencies).
5. To the extent permitted by law, if we are in default/fails to perform any of its obligations under this terms and conditions and/or the Bank is entitled to demand us to repay the outstanding debts under this terms and conditions, we agree that the Bank is immediately entitled to deduct any sum that we deposited with the Bank from any type of deposit accounts and any branch without considering whether the debt is due and payable or whether deposit sum is due for redemption, including our participated portion in the our joint-account, for payment of all types of expenses, insurance premiums, fees, penalties, interests, or principal amount of all outstanding debts and without having to serve a prior notice to or obtaining consent from us. The Bank will notify such actions to us after such actions within a reasonable period of time.
6. This arrangement, application and these terms and conditions and the settlement of any dispute arising out of or in connection herewith shall be governed by and construed in accordance with the laws of Thailand. We hereby irrevocably submit to the non-exclusive jurisdiction of the Thai Courts.

For and on behalf of .....

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Authorised Signature(s) and Company Seal (if any)