

TERMS AND CONDITIONS FOR HANDLING OF DOCUMENTS UNDER EXPORT LETTER OF CREDIT:

1. In consideration of you agreeing to negotiate, advance, finance or otherwise handle at our request our drafts and/or documents under this letter of credit (the "LC"), we hereby declare and confirm that we have agreed that this LC together with all documents representing or related to the goods (the "Goods") including without limitation, bills of exchange, invoices and carriage documents, and all other documents enclosed with our request and the Goods, shall at all times be held by you by way of pledge as continuing security for the payment of all moneys, obligations and liabilities whatsoever, whether actual or contingent, now or hereafter, due, owing or incurred to you from or by us on any account.
2. In case of you agreeing to negotiate, advance, or finance, we agree that the interest rate in Advice notified by you is the interest rate under this application and without our signing in any further documents, the information of such Advice shall be a conclusive evidence against us. We hereby record the terms of such pledge to you and undertake to agree as follows:
 - (a) you may, at your option insure the Goods in respect of which you hold the documents against all risk and at our costs but you shall not be responsible for any loss or damage resulting from your omission so to insure. We also agree to pay and keep you fully indemnified against all insurance and other charges incurred in respect of the pledged Goods from time to time;
 - (b) you and your agents and nominees are hereby irrevocably authorised to act as our agent to execute all documents and do all other acts and things whatsoever which you may consider necessary or desirable to perfect its security or to affect any sale of any of the pledged Goods or to enforce any rights to which we or you are entitled in connection with the pledge;
 - (c) you shall have the right of recourse to us if the Issuing/Confirming Bank does not pay to you any amount(s) due under the bill or expressed to be payable under the terms of any LC (or if there is any delay in payment) for any reason, and we will reimburse you for (1) any amount(s) paid to us by you together with interest from: (i) the date of non-payment by the Issuing/Confirming Bank; or (ii) the date from which you advance payment to us, as the case may be and (2) any loss or damage suffered by you as a result of non-payment (or delay in payment);
 - (d) you shall have the right of recourse upon the Goods or any part thereof in priority to any other claims thereon and to sell such Goods or part thereof as may be necessary for payment of freight, insurance, warehouse, dock and other charges, without prejudice to our obligation to repay any outstanding amount due to you from such proceeds of sale;
 - (e) any financing is with recourse to us under all circumstances, notwithstanding that all the terms and conditions of the LC may have not been complied with or that one or more of the documents called for in the LC is not presented, that any one or more of the documents presented do not conform with the terms of the LC (whether or not as identified or advised by you);
 - (f) in the event of financing, to pay you for any shortfall in the amount received by you;
 - (g) to pay all commissions, fees, and charges incurred or charged by you or your correspondents or agents;
 - (h) not to hold you or your correspondents or agents liable in the event that the documents or some of the documents are lost, destroyed or delivered wrongly by the courier service company selected by you or by the post office;
 - (i) that you are not under a duty or responsibility to check the bill(s)/documents enclosed herein and we shall not hold you responsible nor is your right of recourse prejudiced in any way in the event that the documents are found by a court of law or tribunal to contain discrepancies or in the event that any discrepancies are not identified by you, your servants, employees or agents, whether or not as a result of a willful or negligent act or omission;
 - (j) you may land and store the Goods at any wharf, warehouse, godown or store or other places as you shall from time to time in your absolute discretion decide, and/or re-ship the same to any other port and at our cost. We agree to pay and keep you fully indemnified against all storage, rent, insurance, removal, transportation and other charges incurred in respect of the pledged Goods from time to time and abide by any terms, conditions and regulations for the storage, removal or transportation of the pledged Goods as required by the wharf, warehouse, godown or store or other service providers as if such terms, conditions and regulations were made with or imposed on us except that the Bank shall have the sole right to instruct, release and conduct other dealing with the pledged Goods;
 - (k) you may accept full or proportionate payment before maturity from the drawees and/or acceptors of any bills, or the consignees of the Goods, against delivery of the Goods (or a proportionate part thereof) and/or documents;
 - (l) all costs, charges and expenses incurred by you (including, without limitation, all legal costs and disbursements including those incurred due to legal proceedings instituted by or against you) in relation to this application or our liabilities or pledged Goods shall be reimbursed by us to you, immediately upon your demand, in full, together with all relevant service fees announced by you at your head office and branch offices and website at any time (if any), including but not limited to those liabilities relating to or arising from any and all discrepancies that may exist between the documents as called of in the terms of the LC and the documents enclosed with this application, regardless of whether such discrepancies are identified or advised by you;
 - (m) without prejudice to your other rights and remedies, you shall be entitled (but not obliged) at your absolute discretion (at any time and without prior notice to us) to debit any of our accounts, regardless of the type of account, the branch of account, the amount of credit balance, the due date of credit balance and the rights to withdraw, whether alone or jointly with any other person (only from our portion), with you (whether in Thailand or elsewhere) for all or any moneys due from us hereunder and with the amount of unaccepted or unpaid bills of exchange or of advances against documents of title or other documents for which we are liable to you, or any deficiency arising after
- after realisation of the Goods, and also for principal, interest, default interest, fees, commission, charges, valuation fees, insurance premiums, costs, expenses or any other moneys howsoever owing or payable by us to you provided always that any such debiting shall not constitute nor be deemed to be a payment of any moneys to which it relates except to the extent of any amount in credit in that account, nor shall it be deemed a waiver of any event of default under any other document made between us and you. If such debiting shall cause that account to be overdrawn, interest shall be payable accordingly; and
 - (n) if you for whatever reason are unable or unwilling to negotiate the LC against the documents presented to you, you shall be authorised to handle and send the documents to the Issuing Bank for payment without further reference to or authorisation from us. We agree that you shall not be responsible or liable to us for any consequences arising from not negotiating the LC.
3. On the date of this application and throughout the period in which our debts have not been repaid to you in full, we represent and undertake to you that:
 - (a) all documents presented under the LC will constitute a complying presentation;
 - (b) we will pay you upon demand, the amount of all sums due under bills of exchange negotiated or endorsed by you at your request which may be dishonoured on presentation for acceptance, or which may not be paid on sight or on the due date according to its tenor;
 - (c) we will reimburse you for all financing or payments made against documents of title or other documents which may not have been duly taken up on presentation to the Issuing or Confirming Bank;
 - (d) we will pay you upon demand the amount of all expenses relating to currency exchange for the respective currency as determined by you at your rate of exchange then prevailing; and
 - (e) we will pay for late payment interest, if any, at your prescribed rate and any shortfall in payment of principal;
4. If any of the following events occurs, we agree and accept that you shall be entitled to deem it as an event of default ("**Event of Default**")
 - (a) default of acceptance on presentation or of payment on due date or at sight of any bill of exchange (depending on its tenor) or on default of payment of any other sums due hereunder on due date; or
 - (b) any drawee or acceptor of any bill(s) of exchange or consignee of the Goods suspending payment, becoming bankrupt or insolvent, being put under receivership or taking any steps for liquidation or arrangement with creditors; or
 - (c) if and whenever you consider it desirable having regard to the market value of the Goods that the Goods should be sold whether or not any contingent or other liability of ours to you has actually matured; or
 - (d) we fail to pay any amount due and payable to you on the due date or fail to do so upon request by you; or
 - (e) we default in the performance of or compliance with any duty, requirement, representation, warranty, term or provision under or in relation to this application or any other agreements which we have executed for you separately from this application; or
 - (f) any representation, warranty, provision or statement made or given (or deemed to be made or to be given) by us under this application or in a certificate, notice or any document is incorrect; or
 - (g) all or any part of this application is cancelled or ineffective, either in whole or in part, or any provision under this application is unenforceable or invalid in consequence of a cause arising from us or we claim that any provision of this application is unenforceable or invalid, except in the case where the terms of this application have expired by the effect of the request or by the operation of the law; or
 - (h) we default in performance of any agreement made with other creditors ; or
 - (i) we pass away or are adjudged to have disappeared or to be incompetent or quasi-incompetent or become insolvent or bankrupt or is liquidated, or we have filed an application to become bankrupt, to be rehabilitated, to be placed under a receivership order or for our properties to be seized/attached or where any litigation has been commenced against us; or
 - (j) we call a general meeting of our creditors to compromise our debts; or
 - (k) there is any force majeure or any event in connection with our business which may have a material effect on our business operation or our financial status.
5. Where any Event of Default as specified above occurs, you are entitled to, without notice or our further consent or the consent of any other person:
 - (a) sell or dispose of the Goods or any part thereof at such times in such manners and generally on such terms and conditions and for such consideration (whether payable or deliverable immediately or by instalments) as you may in your absolute discretion think fit without being under any responsibility to us for the price obtained thereby; and/or
 - (b) apply the proceeds in or towards the discharge of the costs incurred and of all sums which we are liable to you, whether then due and payable or not, and in such order as you may from time to time conclusively determine. If such proceeds are insufficient for such purpose, we undertake immediately to resolve such deficiency; and/or
 - (c) charge interest at the default interest rate at the default interest rate, deriving from the maximum interest rate actually charged at the time with an addition of 3 (three) percent per annum, which will be notified to us in Advice, provided that such interest rate shall not exceed the rate prescribed by the law (which may later be changed in the future at the time

a default or a breach occurs). In the case that the LC and/or any relevant bills of exchange specifies the amount as a foreign currency, we agree that you shall be entitled to immediately convert the foreign currency under the LC and/or any relevant bills of exchange into Thai Baht as you deem appropriate by using the exchange rate that you announce to sell such foreign currency to Thai Baht for its general customers or at the rate we agreed with you (as the case may be) without our consent, and the LC, any relevant bills of exchange and this application which is in the foreign currency including the relevant documents shall be deemed as evidence that we have agreed to make a repayment to you for an amount equivalent to the amount in Thai Baht that you have converted the foreign currency together with the interest at the default interest rate deriving from the maximum interest rate of (1) Market Rate for Thai Baht Loan or (2) Reference Rate for Thai Baht Loan such as MLR/MOR/MRR (as the case may be), with an addition of 3 (three) percent per annum which will be notified to us in Advice, provided that such interest rate shall not exceed the rate prescribed by the law (which may later be changed in the future at the time a default or a breach occurs). The default interest rate shall be calculated from the date of failure to pay or default until the date of actual payment to the Bank in full. Such conversion shall not be regarded as a novation. Nevertheless, it is the sole discretion of the Bank whether to convert the foreign currency into Thai Baht or not.

We agree and acknowledge that you are entitled to immediately announce a change to the interest rate in accordance with the notifications of your bank which is notified at its principal office, branch offices and on your website, or in notifications of the Bank of Thailand or notifications of any agencies or as prescribed by laws at that time, provided that such interest rate shall not exceed the rate prescribed by laws. We agree that you shall be entitled to change such interest rate immediately from the date on which the changed interest rate is effective without notifying to us or obtaining our consent; and/or

(d) declare that all or part of the outstanding debt becomes due and payable immediately and demand us to repay debts, either in whole or in part, immediately or within the period specified by you.

6. The security constituted by the pledge shall be in addition to and shall not be prejudiced, determined or affected by nor operate so as in any way to determine, prejudice or affect any other security or right which you may now or at any time in the future hold for or in respect of all or any part of our liabilities to you, nor shall any prior security held by you over the pledged Goods or any part of them or any other properties merge in the security constituted by the pledge, and the pledge shall remain in full force and effect notwithstanding any intermediate settlement of account as a continuing security until discharged by you.
7. We irrevocably agree to assign to you absolutely, by way of transfer, all our rights, title and interest in, and claims for payment under the LC and all related documents, the Goods and insurances. Without prejudice to the generality of the other terms and conditions herein, where financing is provided to us against the LC and documents presented thereunder and/or bills of exchange, pursuant to our request herein, we shall and do hereby assign unconditionally and irrevocably to you all rights, interests, benefits, entitlements, debts, suits and choses in action as are due under the LC and/or bill of exchange. We irrevocably authorise you to give notice of such assignment to the Issuing Bank and all other parties in respect of which our rights, title and interests are hereby assigned. You may, at your absolute discretion, enforce the rights through legal action or otherwise. We agree to execute the documents (including the endorsement of any draft, and to take all steps and provide assistance that you may request in connection with making claims against any party in respect of the LC on the Goods and insurances.
8. Your rights against us shall not be prejudiced owing to any such bills not having been noted and/or protested in the event of dishonour by non-acceptance and/or non-payment.
9. If there occurs in relation to negotiation of or advance against the LC an event having a material and adverse change in (i) the international financial and capital markets; (ii) any national or international financial, potential or economic conditions; (iii) currency availability; or (iv) exchange rates or exchange controls, you shall have the absolute discretion to receive payment under the LC and/or any relevant bills of exchange in any alternative currency at such exchange rate as you may determine in your discretion. Any such action shall be binding on us who shall be liable for any additional loss, damages, costs, charges and/or expenses incurred by you.
10. The Bank shall not be responsible for any act, omission (including any failure to endorse or re-endorse bills of lading), default, suspension, insolvency or bankruptcy of any correspondent or agent, or for any delay in remittance, loss in exchange or loss of any documents, item or their proceeds during transmission or in the course of collection, but you shall be responsible only for your own acts.
11. We hereby agree to indemnify you and your agents on demand against all actions, losses, expenses, demands and liabilities whether in contract, tort or otherwise, now or hereafter incurred by you or your agent, officer or employee for anything done or omitted in the exercise or purported exercise of the powers herein contained or relating to the LC or the pledged Goods or occasioned by any breach by us of any of our obligations hereunder or relating to the LC or the pledged Goods, and you may retain and pay all sums in respect of the same out of the proceeds of sale or other disposal of the Goods.
12. If we instruct you to check the documents and to pay us prior to receipt of the LC proceeds from the Issuing/ Confirming / Reimbursing Bank, you shall only be required to check such documents based on your understanding and interpretation of the latest version of the Uniform Customs and Practices for Documentary Credits, the International Chamber of

Commerce ("UCP") and international standard banking practice. You shall not be liable to us, whether in contract, trust or otherwise, should the documents be rejected or payment be refused by the Issuing or Confirming Bank on the ground that the documents do not constitute a complying presentation, even if the discrepancies raised by the Issuing or Confirming Banks are not similar to those raised by you or if you determine the documents to be a complying presentation.

13. If we request you to negotiate drafts and /or documents under the LC, we may request that the proceeds under the LC be advanced to us before or on the banking day on which reimbursement is due to you. If you accede to our request, you shall nevertheless be entitled to advance the proceeds to us on the banking day on which reimbursement is due to you. You shall also assume the rights of a negotiating bank under the LC and charge us negotiation commission and other fees as you deem appropriate.
14. Where, for any reason whatsoever, whether with or without legal basis, you do not receive payment of the proceeds under the LC or bills of exchange from the Issuing or Confirming Bank when such payment is due or if the Issuing or Confirming Bank seeks reimbursement of any payment made to you and/or reject documents or drafts presented under the LC or bills of exchange or if one or more of the documents presented under the LC is forged or contains any misrepresentation of false factual information known to us, any amount paid by you to us pursuant to such negotiation, advance or finance shall become immediately repayable to you by us and you shall have full recourse against us in respect of such payment as has been made to us earlier.
15. Without prejudice to the foregoing, you are entitled to reverse/debit any payment by the Issuing or Confirming Bank to any account we maintain with you, in satisfaction of any outstanding sums owed to you. In addition, you are authorised to debit any or all of our accounts with you by way of payment in advance of all costs, charges, commission, expenses and liabilities which you, your agents or your correspondents have incurred or may incur in relation to or in respect of the LC. The aforesaid advance payment is an absolute and unconditional payment and you shall not be obliged, under any circumstances whatsoever, to refund the same to us. You shall be at liberty to utilise or otherwise deal with the advance payment in any manner as you deem fit and we confirm that we have no further title, interests, rights or benefits to the monies comprising the advance payment. The abovementioned advance payment shall not discharge or otherwise affect any other claims for reimbursement, repayment, indemnity, interest, expenses and/or costs that you have or will have against us.
16. We hereby appoint you and any person nominated in writing under the hand of any of the Bank's officers as our attorney and in our name and on our behalf, to commence any legal action or proceedings if necessary and that we would provide you our full co-operation, including the execution of any documents, affidavits and powers of attorney, in any action or proceedings commenced (whether in our name or not) to enforce or obtain payment from the Issuing or Confirming Bank whether pursuant to this assignment or otherwise.
17. We hereby irrevocably agree and consent that you may assign, transfer and otherwise grant participations in all or any part of your rights under these Terms and Conditions and/or in any security document or guarantee given hereunder without any further consent from us, whether in whole or in part, to any person or entity as you consider appropriate. You or the assignee shall inform us in writing for such assignment and transfer and we agree to coordinate and provide any document which is necessary and in connection with the assignment and transfer or to perform any action as prescribed by law in order to complete and validate such assignment and transfer. We shall not be entitled to assign and transfer our rights under these Terms and Conditions and/or in any security document or guarantee, whether in whole or in part, to any person or entity, unless we obtain prior written consent from you.
18. The expressions "we", "us" and cognate expressions whenever used herein means us and our successors, administrators and legal representatives (as the case may be). The expressions "you", "your" or "the Bank" extend to its successors, administrators, legal representatives and assignees.
19. Where we and you have entered into the Master Agreement, this Application shall form an integral part of the Master Agreement. All the terms and conditions of the Master Agreement, except as stated herein, shall continue in full force and effect.
20. Handling of documents pursuant to this application shall also be subject to UCP or the applicable revision to UCP as stated in the LC. In the event of any inconsistency between UCP (or its applicable revision), and these Terms and Conditions shall prevail.
21. This 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.