



### GENERAL CONDITIONS

In consideration of the Bank establishing the credit, I / we agree as follows:-

1. I / we authorize you to, on the basis of documents alone, accept and / or pay all drafts and / or documents drawn upon me / us / you pursuant hereto.
2. You may at your discretion restrict negotiation under this Letter of Credit-i to your own Offices or to any Correspondent or Agents of your choice.
3. You are authorized to instruct any bank or branch concerned to dispatch any draft(s) and / or any documents by one or more mail or any other method of conveyance at your sole discretion.
4. I / we undertake to pay on presentation or to accept presentation and pay at maturity drafts and / or documents honoured or negotiated within the terms of the Letter of Credit-i.
5. You may at your absolute discretion reject the documents if there is / are discrepancy/ies in the documents against the Letter of Credit-i terms.
6. In respect of examination of documents drawn under the Letter of Credit-i by the Bank, determination of compliance by the Bank shall be final.
7. I / we agree to pay your commission, fee & charges and all expenses including Takaful/Insurance premium and your agents's charges.
8. It is clearly understood that the Bank is not directly concerned with the proper fulfillment of the contract between the seller and the buyer. Its duty is simply to receive documents on behalf of the applicant, which purport to comply with the condition stated when opening the Letter of Credit-i.
9. You are to have a lien on all goods, documents, policies and Takaful/Insurance certificates and proceeds thereof with full power of sale over said goods, for any obligations or liabilities present or further incurred by you under and arising out of this Letter of Credit-i.
10. In instances where I / We requested the Bank to nominate a Reimbursing Bank and / or the Bank nominates a Reimbursing Bank, the Letter of Credit-i will also be subject to the current Uniform Rules for Bank to Bank Reimbursement under Letter of Credit-i by International Chamber of Commerce in so far as are applicable. And if the documents are presented with discrepancy/ies by the Nominated Bank and / or Confirming Bank and fee & charges incurred by you, I / We undertake to pay you the foreign currency fee & charges so incurred from the date your Nostro account is debited or from the date of remittance schedule from the Nominated Bank and / or Confirming Bank to the date of acceptance of discrepancy/ies by me /us. The amount payable shall be at your prevailing foreign currency fee & charges rate.
11. You may at your absolute discretion and without giving notice to me / us convert into Malaysian Ringgit equivalent, all drafts and documents negotiated under this credit at the prevailing rate of exchange at any time after the receipt of cable of negotiation or the relative draft and documents, unless otherwise arranged.
12. I / We certify that the import of the relevant goods is not prohibited or restricted and that I / we hold and undertake to exhibit to you a valid license where such license is required.
13. You are authorized to accept at your sole discretion Takaful/Insurance policies / certificates issued by other countries with clauses, which are equivalent to the Institute Cargo clauses.
14. If the Takaful/Insurance is to be covered by the buyer, I / we undertake to produce to you within 3 working days from date of this application an Takaful/Insurance policy or certificate acceptable to you and in your name for the Letter of Credit-i value plus at least 10 percent, failing which you may effect Takaful/Insurance at my/our expenses but you are not obligated to do so.
15. You are authorized to make any additions to the documents and / or terms and conditions specified under this Letter of Credit-i which you may consider necessary including compliance with government regulations but you are not obligated to do so.
16. You are hereby authorized to debit my / our current account with you for the documents drawn under the Letter of Credit-i without notice or other reference to me / us and if :-
  - (a) as a result of such debit my/our current account shall be overdrawn, I / we agree that fee & charges shall accrue thereon at such rate as may be determined by you and be payable together with other customary bank charges which you may impose;
  - (b) You shall not be liable for the dishonour of any cheque drawn by me /us on the account if as a result of debiting my / our current account, there are insufficient funds for payment of the same.
17. To pay on presentation the full amount of drawn or to accept on presentation and pay at maturity the full amount and without any deduction or allowance in respect of the sum deposited by me /us with you, or earmarked by you in my / our current account as marginal deposit in accordance with the provisions of clause 18 appearing herein, the draft(s) and / or documents drawn under this Letter of Credit-i even should the merchandise be diverted or over-carried or fail to arrive or be refused landing at destination due to whatever cause.
18. That you are authorized to earmark / debit my / our current account(s) the required marginal deposit as determined by the Bank or any such additional deposit as may be demanded from time to time.
19. That you are hereby authorized and empowered at your absolute discretion and without any notice to me /us to apply the above deposit (marginal/additional) by:

- (a) setting of the same against the amount due on the draft(s) and / or documents drawn under the Letter of Credit-i or any other monies due to you hereunder; or
  - (b) Crediting it to yourselves against any indebtedness which may now exist or hereafter arise by me /us to you in respect of any other account dealing or transaction between us. And it is agreed and understood that I / we shall not be entitled to claim the refund of the said deposit until and unless the draft(s) and /or documents under this Letter of Credit-i and all other monies which may be due to you hereunder shall have been paid in full and any other indebtedness by me/us to you in respect of any other account dealing or transaction between us have been settled.
20. In case of any extension or renewal of the Letter of Credit-i, increase or other modification of its terms, the agreements shall continue to be binding upon me/us in all respects to the Letter of Credit-i as so extended, renewed, increased or modified.
21. In order to facilitate my/our instructions in the Letter of Credit-i application appearing overleaf, you are authorized, at your absolute discretion, to issue the Letter of Credit-i through your oversea's agent. My/our liability under Letter of Credit-i shall not be in any way prejudiced, affected or diminished by reason that the Letter of Credit-i was reissued through your oversea's agent and shall remain in full force and effect.
22. We hereby further agree:
- (a) to indemnify you fully and unconditionally against any losses, damages, claims, penalties, expenses, costs (legal or otherwise including costs on a solicitor and clients basis) which may be suffered by you or claimed against you as a result of your issuance of any irrevocable Letter of Credit-i herein and/or as a result of your discharging any of our mandate given to you from time to time pertaining to any irrevocable Letter of Credit-i issued herein.
  - (b) That you or any agent, servant, employee, officer, or director shall have no liability whatsoever (whether in contract, tort or otherwise) to us save as a result of gross negligence or willful default provided always that you and the aforesaid persons shall in any event have no liability whatsoever (whether in contract, torts, or otherwise) to us for any special, indirect, unforeseeable, consequential or punitive damages (including without limitation any loss of profit, business or anticipated savings) all of which we hereby agree are expressly excluded.
23. With reference to the Facility Agreement, upon the purchase of the Goods by us (acting on behalf of the Bank), we hereby irrevocably undertake to purchase the same Goods from the Bank at the Sale Price which shall be payable in accordance with the methods as determine by the Bank.

<p>.....</p> <p>Name: NIRC: Date:</p>	<p>.....</p> <p>Name: NIRC: Date:</p>
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