



### Conditions of Application for Processing Export Transaction

1. This application is subject to the Uniform Customs and Practice for Documentary Credits (the “**UCP**”) (for DC transactions) or Uniform Rules for Collections (the “**URC**”) (for D/A and D/P transactions) of the International Chamber of Commerce as are in effect from time to time. This application is also subject to General Agreement by Customer(s) and/or other agreement(s) previously signed and delivered by the applicant of this application (the “**Applicant**”) to China Everbright Bank Co., Ltd. Hong Kong Branch (the “**Bank**”), if any. In case of conflict, terms of this application shall prevail to the extent of conflict.
2. Unless otherwise agreed by the Bank in writing, any negotiation, prepayment, purchase and/or advance (the “**Financing**”) provided by the Bank under the Credit or the D/A or D/P transaction is with full recourse against the Applicant notwithstanding the UCP or other applicable rules which may provide otherwise. The Applicant further acknowledges and agrees that it will repay the Bank on demand for any Financing obtained from the Bank without raising any defence or objection. The Applicant also undertakes to repay any Financing under the Credit without further demand if the Bank, due to whatever reasons, does not receive full and punctual payment(s) under the Credit including, but not limited to, the occurrence of any of the following situations:-
  - (a) The issuing, confirming or nominated bank holds the view that the Documents are non-complying irrespective of the fact that the Bank may consider otherwise; or
  - (b) The issuing, confirming or nominated bank fails to honour their payment obligations under the Credit or reimburse the Bank on time due to insolvency, foreign exchange control, any court order, fraud or allegation of fraud, commercial dispute or any other reasons.
3. The Applicant shall indemnify the Bank and the Bank's delegate(s) on demand (on a full indemnity basis) against all liabilities, losses, damages, demands, expenses and costs (including legal fees), proceedings or actions which the Bank or the Bank's delegate(s) may suffer or incur under or in connection with the provision of any financing or services to the Applicant.
4. The Bank is authorised to debit any of the Applicant's accounts for minimum 7 days of non-refundable transit interest upfront or otherwise specified subject to the Bank's discretion from time to time and repayment of the Financing provided by the Bank at any time the Bank thinks appropriate.
5. The Bank is irrevocably authorised (but is not obliged) to (i) utilise the presented documents under the Back-to-Back Credit for drawing of the Credit; (ii) negotiate the Documents, prepay a deferred payment undertaking incurred by the Bank or purchase a draft accepted by the Bank under the Credit; and (iii) directly apply the Financing proceeds of the Credit to settle the corresponding drawing(s) under the Back-to-Back Credit without first crediting such proceeds to the Applicant's account with the Bank, irrespective of discrepancies that may appear on the Documents under the Back-to-Back Credit (all of which, if any, are hereby waived).
6. Without prejudice to other conditions set out in this application, in particular the Bank's rights under any negotiation, prepayment, purchase or advance (as the case may be), the Applicant assigns to the Bank absolutely all the Applicant's rights, title, interests and benefits in and to all the proceeds receivable under the Credit and undertakes to indemnify the Bank against any balance which may remain unpaid under the Credit for whatever reasons.
7. The Bank shall have (i) a pledge and lien over the Documents; and (ii) a pledge over the goods represented by the Documents insofar as such goods are in or come into the Bank's actual or constructive possession.
8. The Bank shall not be responsible or liable for any act, omission, default, suspension, insolvency or bankruptcy of any correspondent, agent or sub-agent.
9. The Bank shall not be responsible for any delay in remittance or loss in exchange during transmission or in the course of providing any services to the Applicant.
10. 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 notwithstanding that the Bank may choose such courier company or correspondent.
11. The Bank has full authority (but no obligation) at the Bank's discretion to store and insure the goods at the Applicant's risk and cost.
12. This application is governed by and shall be construed in accordance with the laws of the Hong Kong Special Administrative Region of the People's Republic of China.